

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
8:00 p.m. - 11:00 p.m.  
MONDAY, APRIL 17, 1978

April 17, 1973

Tape 1096 (Night)

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The Committee resumed at 8:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN (MR. YOUNG): Order, please!  
Reading 1401 -. 01  
Hon. Minister of Justice.

MR. HICKMAN: I just wish to complete my few remarks  
but before doing that I have an announcement to make -

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: - which will be of great interest  
to all hon. members.

MR. PECKFORD: Detroit are going to beat Montreal.

MR. HICKMAN: At seven of the clock this evening  
I received a telephone call to advise me that the hon.

member for Kilbride (Mr. Wells) completed the Boston Marathon, the full  
length of the course.

SOME HON. MEMBERS: Hear, hear!

MR. DOODY: Another Newfoundlander got to  
Boston.

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: Despite the fact that he had  
sustained a knee injury a few days ago and it came back on  
him at the end of the fourteenth mile, he finished the course,  
the full course in four hours. I am sure that all hon.  
gentleman are delighted to hear that the only athlete who  
is a member of this hon. House continues to go forward to  
victory.

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: That is the only report I have.  
It was from a member of the hon. gentleman's family.

Now, Mr. Chairman, and I will  
not use up twenty minutes, I want to just very briefly refer  
to the other deep sea fishing town in my district. the town

MR. WICKMAN: of Grand Bank, and again to indicate why it is so necessary that there be full understanding by those who have jurisdiction over our fisheries as to how their policies are so relevant and so essential to the development of a good catching programme. About ten years ago it became very apparent that if the fleet that is operated by Bonavista Cold Storage Company Limited out of Grand Bank was to expand, if their operations were to be expanded, it was vital and absolutely necessary that there be major harbour improvements. Indeed that had become obvious, Mr. Chairman, back in the days, I can recall, when the late Senator Bradley was the Secretary of State in Ottawa and he made a very profound speech in Grand Bank in the early 1950s saying that he had plans for Grand Bank harbour that extended way beyond the bridge. That was a recognition of the need for major harbour improvements.

Well, about ten years ago we carried out very extensive drilling and surveying in Grand Bank harbour, particularly above the existing bridge, and it was decided by Ottawa that the surveys indicated some difficulties would be encountered. It was then suggested to us that there should be a brief submitted to the then Minister of Fisheries, Hon. Jack Davis. A brief was prepared and submitted to the Government of Canada by the Grand Bank town council showing the projected growth, showing also the pleasing increase in the inshore fishery operation in the Grand Bank area and the obvious need for more harbour space if that plant was to reach its potential. The brief was studied and not too long ago a further survey was undertaken and then at a most recent meeting between the Grand Bank town council, the Secretary of State for External Affairs and myself, the council inquired as to when we can expect some action to ensue. The indication is that the Government of Canada will be doing some further studies but they may put in a marine facility there this year to aid the inshore fishermen.

MR. HICKMAN:

The point I am trying to make, Mr. Chairman, is this, that most of the plants along the Southcoast of this Province now, I think, are looking toward expansion. Their whole history of development, their ability to react to challenge and to react to market changes, indicates to me that certainly these plans are ongoing.

In the ports of Fortune and Grand Bank, and Grand Bank in particular, the ability for expansion depends upon a quick assumption by the Government of Canada of their exclusive responsibility for major harbour developments. Without it we will not see that plant continue to expand. We have a work force there that in my opinion is second to none; we have a quality control programme in that plant that even the federal fisheries inspectors say that they cannot attain the standards which have been set by the employer and the employees themselves. When the downturn came in the market a few years ago, that was the one plant that was not affected because their quality product was so good that the demand continued to remain.

MR. A. HICKMAN: Now their opportunity for expansion is stifled, and I do hope that Mr. LeBlanc, who has responsibility not only for fisheries but for small craft and harbours, will see to it that we can get on with this very demanding and challenging job as quickly as possible.

May I refer to two other fishing parts of my district, one which is not too well known in Newfoundland: the area from Point May to Lawn inclusive is one of the big trap fishing areas in this Province. I suspect that Lawn and Lord's Cove between them are two of the big inshore fishing communities in the Province. A few years ago, in 1966 and 1967, that area seemed to be on the way out. Resettlement was in vogue a lot of people were leaving and going to Fortune in particular. We had a meeting there in 1970 and it was decided that we would reverse that trend because what they said, and it is a philosophy that I certainly agree with, "You give us the amenities you allow us to be able to commute cheaply and quickly to our place of work in Fortune, or St. Lawrence then, or Grand Bank and we will stay. We have but one small section of the highway left to be upgraded and paved from Lord's Cove to Lawn. "And the difference that that has made! The inshore fishery is increasing, Mr. Chairman, there is pretty close to full employment in that area too because they work in the plants, those who are not fishing, and during the time of the year when only the off-shore fishing is being operated.

And again, Mr. Chairman, there are some plans afoot to expand the salt codfish corporation's operation in Lawn, which has been reasonably successful to date and which has provided some employment, particularly during the inshore fishery.

MR. A. HICKMAN:

The last place that I want to refer to and I want to give a very brief report to the Committee on is what has been transpiring and what is happening and what is planned for St. Lawrence. As most hon. members are aware St. Lawrence, prior to the opening of the fluorspar mines, was a very strong fishing community; both the bank fishery and the inshore fishery were prosecuted out of that town. With the opening of the mines the bank fishery disappeared totally and the inshore fishery has not been very strong. Following the closing of the mines the people of St. Lawrence, at a meeting that I attended the next day, said, "We are not going to direct our attention to coming in and making all sorts of demands of government." And they said they did not want a Task Force, that they did not want to direct their attentions to anything other than the only other resource there could be upon which any industry or alternative industry could be based, namely, the fishery.

And very quickly a gentleman named Captain Almeda of Portugal, who has been sailing in and out of Newfoundland ports the last two or three years - and when I say sailing, coming in here on occasion - came on the scene. Mr. Chairman, he is the owner, Captain Almeda is the owner of two boats about the same size as our stern draggers and they are engaged only in gill netting, mostly on the southern tip of the Grand Banks, for cod. It is a most sophisticated type of fishing. Everything is automated, none of the product is lost, and I am told that the landings by the two Almeda boats last year doubled that of any two Canadian boats of comparable size. Captain Almeda has said he is prepared, ready, willing and able to land his product in St. Lawrence. Fishery Products Limited have agreed to build a plant in St. Lawrence based on the assumption that Captain Almeda will be able to get the licences and land his product

MR. A. HICKMAN:                   there. The proposal was very quickly put in writing and the studies completed. The Government of Newfoundland has indicated to Fishery Products that we are prepared to make available the necessary funding that they are seeking from the provincial level. There is an application into DREE which has been studied and they too are ready I think to make a decision. But before any decision is made two things must happen involving two other agencies of the Government of Canada. Firstly,

Mr. Hickman: Captain Almeda has before the Department of Immigration an application for landed immigrant status for himself and a very limited number of crew members, who are the only ones who have had experience in this type of fishing - because it is not known in Newfoundland, it is not known in North America, indeed it is not known in West Germany - and other fishing nations in Europe. And when that is approved, it is in the pipeline now and hopefully it will be because it will not take away jobs from Newfoundlanders, but rather will create them, and it has been looked upon with a great deal of enthusiasm in Fortune - or in St. Lawrence, rather, and the Town Council and the Committee have agreed that they will certainly do their best to find adequate accommodation for any Portuguese who have to move into that community on a landed immigrant status.

When that is approved then the next step, and this is the big crunch, is for Mr. LeBlanc to give two licences. DREE cannot make a decision on the application, very properly will not make it unless they know that the two licences will be issued. I sense, and it is only a sensing on my part, I sense on the part of federal officials in this Province a great deal of enthusiasm and a great deal of excitement for the proposal. But the decision is a political one. It is going to have to be made at the political level in Ottawa. All I hope is that the decision is favourable and that it comes very soon. Because the day that that decision is made, my understanding is that Fishery Products are ready, willing, and able to start construction of that small plant. And they will find a labour force in St. Lawrence anxious to co-operate, anxious to work, and anxious to give Fishery Products the kind of productivity that the people of St. Lawrence are capable of doing.

That, Mr. Chairman, is the position of the efforts of the people of St. Lawrence to find an alternative industry and I commend them for their approach, their initiative. I am very grateful to Fishery Products that, led by a native son of St. Lawrence, Mr. Etchegary,



MR. HICKMAN: they have agreed to look at it very carefully and definitively and positively, and with the kind of co-operation that I am sure that the Secretary of State for External Affairs, who is the member of Parliament for Burin-Burgeo, and his colleague, the hon. Romeo LeBlanc, will show for St. Lawrence that we can get on with the job, but that is the only thing that is holding it up.

Now one last thing before I sit down -

MR. NEARY: The minister is including himself when he says, "We will get on with the job."

MR. HICKMAN: We will get on with the job. My colleagues in St. Lawrence, my friends in St. Lawrence, Mr. Etchegary, my colleague, the Provincial Minister of Fisheries and his department, we are ready, willing, and able to go, just two small licences to be issued and we are on our way.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: (Inaudible) Ruchans down at Lloyd's Lake.

MR. HICKMAN: Now, Mr. Chairman, - the Lloyd's Lake. Now there is a thought. Would I not love to debate that. The cheapest power in North America going unharnessed.

But, Mr. Chairman, one more thing. The hon. gentleman for LaPoile (Mr. Neary) had a fistful of documents there today and he asked me if I would find out what it was all about. In 1962 there was security given by Fishery Products Limited to the Province of Newfoundland which included the Catalina property. In 1975 there was a consolidation of all of the indebtedness of Fishery Products Limited to the Crown, and they gave additional security which including a floating charge on all assets present and future. In 1976, when Fishery Products acquired the Marystown plant, they put up a new company called Fishery Products (Marystown) Limited, and the shares in that company also vested in the Crown as security under the floating charge.

The Catalina property - not all of the property, the meal plant for tax purposes, and this was purely for tax purposes, which any tax paying corporation is entitled to do - the property upon which

Mr. Hickman: basically the fish meal plant in Catalina is located was released and conveyed to Fishery Products(Marystown)Limited purely, as I say,because there were certain tax benefits which would accrue by following that procedure. It did not in any way affect the security of the Province because all of the shares in Fishery Products (Marystown)Limited were covered by the floating charge.

MR. HICKMAN: But to sum it up in one sentence, the security was not affected but, hopefully, certain tax benefits accrued to Fishery Products and/or Fishery Products (Marystown) Limited.

MR. NEARY: I was right on again.

MR. HICKMAN: Always on! I move, Mr. Chairman, that the hon. member for LaPoile (Mr. Neary) be called to the Bar forthwith.

MR. CHAIRMAN: The hon. member for Port au Port.

MR. HODDER: Mr. Chairman, I was not here this afternoon. I had wanted very particularly to be here for the Fisheries estimate but yesterday I was attending a meeting in the district of Port au Port and missed the flight and could not get one until today. But I would like to say that the meeting yesterday was with upwards of some 200 fishermen and for the first time there is now a fishermen's association being formed in the district. Yesterday they elected representatives from various areas to meet and to come back with guidelines and to work on a constitution. I might say that the meeting was very, very enthusiastic and the fishermen were 100 per cent for an association, and I believe that with the enthusiasm I saw at that meeting yesterday and with the large number of fishermen that were there. I am quite sure that a good association will be formed and many good things will come to pass.

Mr. Chairman, I would like to just say a few words about the Fishery in Port au Port. It is an area which has two major fishing grounds, one to the north of the Port au Port Peninsula and on to the south, but one of the catchwords, one of the things that has always been said around the West Coast is that there are lots of fish in Port au Port Bay and Bay St. George but there were no harbours. Something has happened to change that in recent years and we are hoping that in the very near future we will have to have the harbours as well because the Fishery in Port au Port is, at the present time, a fishery that is not developed to near its true potential. That means that this is an area, I believe, that we have to concentrate on,

MR. HODDER:

both the Federal and Provincial governments must concentrate on, because it is an area which I believe can turn itself around. There is high unemployment there at the present time but, as the Minister well knows, the people are going back to the boats, and I predict that there will be double the number of fishermen in the District of Port au Port and double the amount of fish taken this year to the amount taken last year, and I believe last year was double the year before.

The development which is taking place at the present time - this year there were two major breakwaters built on the southern part of the Peninsula, at Rose's Brook; another one was built at Three Rock Cove on the northern part of the Peninsula, and plans are for the second one there; and at Blue Beach there are two breakwaters there with plans to open the beach itself to make a natural harbour. These will be three harbours on the Peninsula which were not there before. The Community Employment Strategy Association in the District of Port au Port has now applied for \$1.3 million. The proposal was submitted to Federal Fisheries, it has passed three sub-committees in Ottawa, it has been applied for by Federal Fisheries to the growth component of Canada Works, and I understand it is a matter of announcing it now, and that will mean there will be a new harbour and \$1.3 million dollars will be spent there in the very near future.

At Fox Island River, as well, we have just seen a wharf extension there although, unfortunately, during the Winter we lost the main wharf but now we have the extension and the Small Craft and Harbour people have committed themselves to building the wharf and also bringing a dredge into Fox Island River this year which will mean that longliners and a lot of the small boats which had trouble getting in at low tide last year will be able to get in.

Now, Mr. Chairman, those facilities, of course, are not all we need but we do have active groups in

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MR. HODDER:                   the area who are pursuing the money  
and trying to develop the area. There is the Community Employment  
Strategy Association. There is the Port au Port Development  
Association. I would like to pay tribute to both of those groups  
here now because they have done a tremendous job in the area, and

MR. HODDER:

I feel that if the plans that they have drawn up at the present time are fully realized that you will see that the fishery of Port au Port will become-or rather, Port au Port will become a well-known fishing area. Because, Mr. Chairman, not only do we have inshore fish in Port au Port and groundfish but it is also one of the three large lobster fishing areas in Newfoundland. Now, that is the main, I suppose, that is where the big money is going at the present time but we also have some other things working there. We have a work activity project at Jerrys Nose on the Port au Port Peninsula which is where people who have been out of work for some time are going back and they are building new boats and they are being paid to do it and the materials are cut. They cut it themselves and they are learning how to build a boat. And then when they finish they take the boat with them and it is their boat. And I think they have turned out some eight or nine this year. They run anywhere from twenty up to thirty feet, I suppose. And from my untrained eye they look like they are tremendous boats. And some of the fishermen who have graduated from that first class who had not worked for some years were the top fishermen last year out of Blue Beach.

Anyway, Mr. Chairman, the problem that we are having: now I was to a meeting, as I said, of some 200 fishermen or up to 200, about 150 to 170. I did not get a chance to count them all the way they were sitting. But at that meeting yesterday they felt that the provincial Department of Fisheries was letting them down. It was stated there clearly by the fishermen. One of the main problems and sources of contention at the present time is the roads going to the fisheries areas. If Port au Port is going to be developed, if we are going to have full employment, then we are going to need to have the proper infrastructure. We are going to need electricity at Blue Beach. The road going to Blue Beach now is a half load limit. People who are fishing in the area, they have to come up with half ton trucks. You know, it is not really paying the

MR. HODDER:

fish buyers now to get down there because the road is in such bad condition. Now I had hoped that we would get at least \$100,000 this year to upgrade that road. It is seven miles long and I have said in the press and said everywhere else that it seems that there is some sort of dispute between the Department of Transportation and Communications and the Department of Fisheries because nobody seems to want to take the responsibility for that road. Now this year, I understand, we are going to get about \$35,000 for that road and it is \$35,000 wasted. Either we take that road and build it properly—we know it is a growing area, that the road is needed, so I say that the idea to temporarily repair that road because \$35,000 in that particular area is not going to haul the gravel that is supposed to go on the road. And I feel, Mr. Chairman, that something must be done about it.

At this moment in time the fishermen are very, very upset that are using Blue Beach with the condition of the road. Now I know it is the time of the year when the roads get soft and everything else, but that road. I am sure the minister himself would agree that the road needs to be upgraded and that \$35,000 is not going to do anything for it.

MR. PECKFORD: What are they doing now? Are they finished their breakwater?

MR. HODDER: No. They have another \$100,000 which they are waiting now, pending this under the Canada Works and then they are going to try to use that. Then they will decide what they will do with the money they have now. They are just waiting for the announcement before they decide what happens next.

Mr. Chairman, I would like to say one other thing, that people complain about how Canada Works money is used and how LIP is used but in the district of Port au Port, the last time the Canada Works money came out the Community Employment Strategy Association said, "Stop, we do not want those little projects all throughout the area,"

MR. HODDER:

and all the money from the Canada Works has gone into those three major breakwaters. Then they have been topped up by small craft harbours and then further topped up by the Community Employment Strategy Association. And it has been a fantastic job. But we still have some problems, and I do not mean to be critical of Ottawa but one of the problems that we have had this year is that job creation, and by the very nature that they are job creation, are not interested in closing jobs down during the Winter. And in some cases what has happened is that the people, you know, in cases where logs had to come out of the woods or they are waiting for a pile driver to put posts down in Fox Island River or wherever it might happen to be, what happened is that the fishermen found themselves working, keeping pace, just making up time and yet they were not really doing the



MR. J. HODDER:

proper work and they knew they were not doing it. And what they have asked for now is they have asked for the permission to transfer money from one job to the other. For instance, if they cannot get the logs from the woods at Roses Brook, which they were and they had a problem this winter, then perhaps these people could work over on another project where there were the materials, perhaps on the wharf at Fox Island River or whatever. So what they have asked for now is the ability to be able to transfer this money from one project to the other so that it is done more efficiently. I might say also that there will be an engineer - There is an advertisement in the local papers in the area now for an engineer-to supervise all those projects. So that we do not have this lazy attitude about the Canada works. I think that is changing anyhow because the fishermen now know that the work that they are doing was work for the future and they are working harder at the projects than they were before.

And finally, before I sit down, Mr. Chairman, I would like to say this, that we need more processing facilities in the district. I would say, and this is only a rough guess on my part, but if all the fish coming off the Port au Port Peninsula and going to other areas were processed on the Port au Port Peninsula we would have full employment for the major part of the year. And for some reason or other we seem to be losing an awful lot of that and I would ask the minister if he would -

MR. NEARY: Where is it processed?

MR. J. HODDER: National Sea processes

a little bit there but a lot of it is shipped off the peninsula. We had a fellow there, United Maritime Fish Products. He was a local fellow. He took all his and shipped it all over the place, anywhere from St. John's to the Northern Peninsula, wherever he could get a buyer for it. T.J. Hardy is planning to start a processing facility in Fox Island River, but at the present time that goes down to Port aux Basques. We do have a buyer now, I believe the

MR. J. HODDER: Inter-Fish plant is opening up at Stephenville. I believe a fellow Pike is going to look after it and he will be buying on the peninsula but again, while it is going to the Bay St. George area it is going to be off the peninsula. I would like to see some facilities built on the peninsula because it would provide employment for the area.

But the fishery is in good shape there. There are lots of things we need. I heard complaints yesterday about problems with the Fisheries Loan Board. And another problem that I have come up against there is there has been a lot of boats built there lately and they have problems getting somebody to come in to inspect the boats. And there are little things that irritate the fishermen like that and particularly the inspection of boats was brought to my attention yesterday.

But, Mr. Chairman, I feel that if the present trend continues and if we can get the support of the Provincial Government for the infrastructure for - I have mentioned the major areas but there are many small areas around the district Lower Cove, Ship Cove where you get perhaps fifteen or twenty fishermen who are fishing in that particular area and there is a need for slipways in some places and there is also a need for fisheries access roads in various places. But I would urge the Minister of Fisheries to help. The Federal Government has done a fantastic job there and the Provincial Government has not been noticeable at all. I will admit that we do get money from the Provincial Government. We have some slipways but not nearly enough. I would like to see the Provincial Government get in there with both boots on and to help the fishermen and help those organizations which are trying so hard and I think that in a few years time Port au Port will be known as one of the major fishing areas in the province rather than one of the high unemployment areas.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. member for Trinity-Bay de Verge.

MR. F. ROWE: Mr. Chairman, I will just try very quickly once again

MR. F. ROWE: because I know there are a number of my colleagues -

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Order please! The hon. member for Trinity-Bay de Verde.

Just for clarification, I might mention that there are about two and a half hours left in the Committee and as members of the Committee will know we do tend to go from side to side. There were two speakers from this side to my left recently and now there are two members from the side to my right so this tends to even things out a little bit.

The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Chairman, there are a number of my colleagues who I know want to speak on this particular subject but I would like to draw to the attention of the Committee, Sir, and the Chairman, that the Minister of Fisheries has failed thus far to defend his own estimates in the Committee of Supply. This is only

MR F. ROWE: the second time that I have stood up today and I will repeat some of the questions that we have put to this minister during the Committee stage of his particular estimates. Sir, instead of the minister getting up and defending his own estimates and answering the questions, what we have seen is some of the political pygmies over there such as the member for Bonavista South (Mr. Morgan) getting up and trying to paint the Opposition as being negative when we are trying to get out of the minister some answers to some very important questions.

Now today myself and a number of my colleagues have gotten up in this Committee and asked the Minister of Fisheries to straighten out once and for all what exactly is the government's policy with respect to the Nordsee-Ocean Harvesters merger and, Sir, the hon. the Premier, as we know, has met secretly with FIRA, supposedly trying to push the original deal. We have had different backbenchers on the government side come out with different ideas, and the Minister of Fisheries himself has come out with a different formula for the Nordsee proposal and when asked where he stood, the Minister of Tourism, with respect to the Nordsee proposal, sloughed it off and he said we will have plenty of time to debate on that particular issue.

Now, Sir, I respectfully ask the Minister of Fisheries to get up and do as has been done in the past and defend the estimates of his own department instead of having hon. members and ministers on the other side getting up and consuming the time of the Committee with twenty minute speeches about their district because they will have plenty of time to talk about that in the Budget Speech or in the Throne Speech or at some other time.

Now, Sir, I would like for the record to show that the minister has not refuted the fact that we have indicated over here that the actual increase in the expenditure of the Department of Fisheries is less than the 10.5 per cent mentioned in the Budget Speech. I have not seen any figures to argue against the figures that I have presented to this Committee. The hon. minister put out a portfolio today with a whole whack of figures but, Sir, he has not proven that

MR. F. ROWE: the actual increase is not in the order of 10.5 per cent but is instead, as I repeat again for revised or actual expenditure, is only four per cent, for gross expenditures it is an increase of only six per cent and in the net estimated expenditures it is only 7.4 per cent - nowhere anything near ten.

Now, Sir, the Minister of Tourism, the member for Bonavista South (Mr. Morgan) gets up and once again, Sir, this is such a pathetic spectacle when ministers of the Crown get up and call on hon. members in the Opposition. "Help us out. Tell us what policies we should have." Now, Sir, the hon. Minister of Tourism should know better than that. We question, and hopefully criticize constructively, the policies of government and hope to alter and improve it, but it is the government that formulates policy in this Province. And time and time and time again we have the sad spectacle of ministers of the Crown standing about saying, "Bail us out, help us out, tell us what do do, tell us what to say." Well the only answer I got for the Minister of Tourism and other ministers who have that kind of an attitude, Sir, is if they are so anxious for positive ideas and suggestions from us why do they not just give up altogether and just change sides of the House and we will show the people of this Province what positive steps we can take in the Department of Fisheries and any other portfolio of the government. It is as simple as that. Sir, the simple fact of the matter is that this administration since it has taken office in 1972 has not come up with an overall, comprehensive plan for the development of the fisheries in this Province and I would submit, Sir, further, that this administration has not sat down with the fishing industry, has not sat down with the Fishermen's Union, has not sat down with the fishermen themselves and the processors and the federal government for the expressed purpose of shaping a definite and comprehensive overall policy for the development of the fisheries in this Province. And this is why, Sir, we have the sad spectacle of different government members and different government Cabinet ministers saying different things with respect to the Nordsee proposal. And still after four or five hours the Minister of Fisheries has not stood up in this Committee stage, Mr. Chairman,

MR. F. ROWE: and indicated to the Committee what the policy of this government is with respect to the Nordsee proposal, let alone what the policy is with respect to the overall development of the fisheries in this Province.

MR. W. CARTER: I have not had a chance.

MR. F. ROWE: The minister has had ample opportunity. Instead we get other hon. members standing up on the opposite side of the House of Assembly covering for the minister.

MR. G. FLIGHT: Hear, hear!

MR. F. ROWE: And if the minister, Sir, had real leadership he would be bouncing back after every speech made on this side of the House and defending his policy or at least defining his policy. We have had no definition of policy from the minister. We have gone through six fisheries ministers in the last six years. The Premier has had the portfolio two or three times and we have had several other individuals and the only thing we get, Sir, is statements in Throne Speeches. "A new programme to give better assistance to the inshore fishermen to obtain boats, gear and equipment." Where is that great promise today? "A special incentives programme to assist fishermen in obtaining multi-purpose boats for dragging, seining, mid-water trawling and longshore fisheries." Another promise made back there in 1972: "Legislation with respect to a new financing approach to provide the supply of fish necessary for existing fish plants around our coast in order that they may be utilized to as near full capacity as possible." Sir, it seems to me we heard something like that this year. This was a promise made back in 1972: "A new Crown Corporation which will own or lease rights on a new fleet of trawlers." That is not new stuff this year; that was said in the Throne Speech of 1972, Sir. The government promised again there in 1972 they would establish a new and realistic programme of bait assistance to the fishing industry. Where is the great new, inexpensive shared-cost insurance programme

MR. F. ROWE: to cover and to help fishermen cover the lost of fishing gear? I know the minister is going to say Ottawa would not agree. Well, Ottawa did agree and we saw what happened to several millions of dollars in this Province during the gear replacement programme. I would submit, Sir, that there are hundreds of fishermen who have lost private gear this past Spring who, because any federal assistance forthcoming would have to be based upon a minimum loss of \$550,000-\$1.00 per capita, I understand that they cannot get the federal government to participate. I would suggest, Mr. Chairman, that the provincial government should bring in its own shared-cost insurance gear programme, if they made the promise back in 1972, for these fishermen who have lost private gear.

Sir, there have been a multitude - look, Mr. Chairman! I will do much the same as the minister did, I do not want to consume too much time of the Committee. But there are a host of promises - hundreds, literally hundreds of promises contained in six separate Throne Speeches - that have not been kept in the area of the fisheries. Promise after promise after promise, the bulk of which have come of course before by-elections or provincial elections, and have not been kept.

I challenge the minister to indicate to this Committee, Sir, with proof, how many of the promises have been kept that had been stated in Her Majesty's Throne Speech. The \$40 million trawler fleet, for example. I do not know what Throne Speech that was in probably 1972 or 1973 - yes, in 1973 - legislation for the establishment of a \$40 million fund for the construction of deep sea water fishing boats. \$40 million, promised legislation - the total Estimates of the Department of Fisheries

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MR. F. ROWE:

this year is \$25 million!

Now, Sir, the only thing that

I can repeat is that I am extremely and sincerely disappointed in the Minister of Fisheries who has such a T.V. high profile, has such a high profile in meeting with the fishermen. I would submit that the hon. Minister of Fisheries probably travels and has more meetings than any other hon. minister opposite. And when we come to the Department of Fisheries, which is one of the most important departments in government - this is where the major thrust was going to be this year - the minister has seen fit to allow his colleague to



Mr. F. Rowe: defend his own estimates instead of answering the questions that are put to him, Sir. We still do not have the government's position on the Nordsee proposal. We got about six different positions of the Nordsee proposal. We have the spectacle of the member for Harbour Grace (Mr. Young) standing up this afternoon and speaking, uttering words against his own private member's motion that he introduced in the first day of the House.

MR. FLIGHT: It is unreal.

MR. F. ROWE: Sir, it is unbelievable. It is inconsistent. How can the people of this Province, Sir, have any faith in a government when we have five or six members and Cabinet ministers saying different things about the same issues? Inconsistency. Sir, it is incredible. You almost have to go outside the English language and say it is "uncredible" it is so incredible that we have so many different policies coming out of the government on very important issues facing the Province today, Sir.

I would suggest, Sir, that the minister in his few remaining minutes - and I give up! I tried three times - once on Friday, once earlier this afternoon, and once tonight - I tried to squeeze out of the Minister of Fisheries what is the policy of the government with respect to Nordsee and the Nordsee-Ocean Harvesters merger. Not a squeak, not a squeak from the Minister of Fisheries, Sir.

Now I know my colleagues, Sir, some of them want very much to get up, and I do apologize if I cut into some of their time because I think I did indicate to a number of my colleagues that I had said what I wanted to say, but I had to get up, Mr. Chairman, because the Minister of Fisheries has not defended his estimates. I am bitterly disappointed in the minister. And I would for the last time ask him to defend his estimates, explain the Nordsee thing so the people of this Province would know, and I will let my colleagues get into the meat of the Fisheries estimates because I know many of them represent fishing districts and they want very much to get into matters in the fisheries that affect their own people that they represent, and

Mr. F. Rowe: the districts that they represent.

So, Mr. Chairman, I once again just call on the minister to set this Province straight, please, on the matter of the Nordsee-Ocean Harvesters proposal. He said the Premier is starting to lean towards him.

MR. FLIGHT: He is leaning on the minister.

MR. F. ROWE: The Premier has not even been in the Committee stage for the minister's estimates. If he is leaning, Sir, he must have leaned right out of the Ninth Floor window.

MR. FLIGHT: Leaning on the minister.

MR. F. ROWE: I would like to know who is leaning on who, Sir, with respect to the Nordsee proposal. But I will give way in the hope that the minister will get up, and I am not trying to play politics on this. There is enough confusion in this Province now that the Minister of Fisheries has to set the record straight with respect to the Ocean Harvesters-Nordsee proposal. Because I can tell you, Mr. Chairman, tonight that if the Nordsee proposal goes through as is indicated by the Premier, or even possibly as is indicated by the minister's latest formula with 5 per cent equity, I am afraid that this will set the stage and the floodgates will be open and every other foreign country in the world who need our fish, have a surplus of trawlers, have the fish plants and advanced technology will come in here and our Province-wide or Canadian owned fishing industries will have to submit to the financial pressures of the foreigners and they will be slowly bought out one by one, and after this long fight for the 200 mile limit here we are back to square one with one of our major resource industries, renewable resource industries being controlled from outside of not only this Province, but outside of the nation. And, Sir, I think that would be a complete sellout of this Province. And I hope the minister stands up -

MR. W. CARTER: If you will give me a chance to stand up.

MR. F. ROWE: The minister has a -

MR. MORGAN: Sit down! Give him a chance to stand up.

MR. F. ROWE: It is really funny, Mr. Chairman. You know, it is really hilarious to hear the minister now finally after I have gotten up for the second time today, and we only had twenty minutes each, "Give me a chance to stand up." The minister has three or four of his colleagues speak irrelevantly to kill time so that the hon. minister would - if the minister will promise to stand up and enunciate the government's policy, if he would start rising in his seat now and enunciate the government's policy on the Nordsee-Ocean Harvesters proposal I will sink as he is rising.

MR. W. CARTER: You are sinking anyway.

MR. F. ROWE: Thank you, Mr. Chairman.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: The hon. the Minister of Fisheries.

MR. W. CARTER: Mr. Chairman, with the Opposition I have two hours and ten minutes left and I am prepared to stand on my feet for the next two hours and ten minutes and speak, explain our policy, I am prepared to stand on my feet in my place and answer questions, but if hon. members want to get up and speak for twenty minutes and say nothing, well then it is going to deny them the right to ask questions and get the answers that I think they are entitled to. So if the Committee would agree, Mr. Chairman, I am quite prepared to spend the next two hours and ten minutes standing, explaining government policy and responding to questions.

MR. F. ROWE: That is a foolish statement there.

MR. W. CARTER: That is not a foolish statement at all it is a -

MR. F. ROWE: Everybody has twenty minutes to give his statement.

MR. W. CARTER: The hon. member, Mr. Chairman, does not seem to appreciate the fact that members on this side have a right too, and there are members here representing fishing districts. And believe me the fact that I have not been standing up more often is because I want to give my colleagues a chance to say what they have to say.

AN HON. MEMBER: What has the member for St. John's North to say?

MR. W. CARTER: The hon. member is making a great deal of fuss over the Nordsee thing. Well, I do not know what else we can tell him about that, I think government's position is pretty well known. I would like to know the Opposition's position. In one breath, by the way, they will talk about the need to put the brakes on and not to allow this merger to take place because of the over fishing that could occur and yet, in another breath, they will support their minister in Ottawa who in 1978 will issue 500 licences to several foreign countries to allow them to catch 52,000 metric tons of codfish in our so-called Northern waters and yet they get up and they blast government and they condemn the Nordsee-Ocean Harvester proposal. That company, if and when that merger takes place, will require licences to operate ships to catch 20,000 metric tons of codfish from areas that otherwise will be fished by other foreign countries under licences issued by their minister in Ottawa, Mr. LeBlanc. Does that make sense?

MR. DOODY: Not a bit.

MR. W. CARTER: Does that make sense? In one breath they talk about the need to conserve, to be cautious and not to allow over fishing.

MR. WHITE: Tell us about foreign control.

MR. W. CARTER: In the next breath they support the proposition that foreign ships should be allowed to catch fish out there.

MR. LUNDRIGAN: In chartered foreign vessels.

MR. W. CARTER: They support the proposition that the federal government should issue licenses to foreign countries. I have not heard one word of condemnation from the members opposite with respect to the actions of their idol in Ottawa, Mr. LeBlanc, who in 1978 will issue 500 licenses to a number of countries to catch fish that rightfully belongs to us. What is your position on that?

MR. WHITE: What is your position on Nordsee?

MR. W. CARTER: I am telling you my position on Nordsee and our position is well-known on Nordsee. The government of this Province supports the Nordsee proposal. Do you want to hear it or do you not?

SOME HON. MEMBERS: Yes.

MR. W. CARTER: We support the Nordsee proposal subject to seven conditions. These seven conditions have been laid down and spelled out by the Premier of the Province, spelled out to the Foreign Investment Review Agency. We support the proposition that Nordsee should be allowed to come in here because we believe that fish is ours by right, we do have first right to it and we have a responsibility to ensure that the Newfoundland people, indeed the Canadian people, should be given preferential treatment in the disposition of that fish that has been designated as the allowable catch and will in fact be caught in 1978.

They talk about the inshore fishermen, and the fact that by giving the Germans 20,000 tons of fish this is going to play havoc with the inshore fishermen on the Northeast coast. They have appeared to act as if they have a monopoly on interest in and knowledge of the inshore fishery. Ninety-seven per cent of our budget in 1977 was spent on the revitalization of the inshore fishery and I would submit to you that probably ninety-eight per cent of the estimates that we are now debating,

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MR. W. CARTER: the \$25 million that we are now debating, will be spent on the revitalization of the inshore fishery. The Nordsee 20,000 metric ton harvest, if and when that proposal goes through, will have no more effect on the Northeast coast inshore fishery,

Mr. W. Carter: not as much as the 52,000 tons that will be caught in that area by foreign ships, fishing under foreign flags, by leave and licence of Ottawa. If I have a choice between allowing that surplus, that so-called surplus fish to go to Poland, Spain, Portugal, Norway, East or West Germany, or Russia or have that fish caught by boats partially manned by Newfoundlanders, landed in our Newfoundland plants for processing by our Newfoundland people, well, that is not a hard decision for me to make.

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: And that is the decision of Nordsee.

MR. F. ROWE: What about the equity position?

MR. W. CARTER: I will come to the equity position in a moment. I am talking now about the resource. You talk about markets, some hon. member today talked about - the Leader of the Opposition - markets. There is one thing that we cannot forget in this. I had a gentleman come into my office one morning who is a highly placed person in the fishing industry, who was against the Nordsee Ocean Harvesters merger. He put the question to me. Then, of course, he answered the question himself. Why are the Germans interested in our fish? Why are the Germans interested in buying into Ocean Harvesters? Then he answered his own question. He said, "I will tell you why, because they want our fish."

Well, I say to you now and to this House, this Committee, that if ever the Germans and the Europeans cease to want our fish then we are in for real trouble. We all know that the American market is a rather precarious market. There is no guarantee that that market will remain as lucrative as what it is at the present time. We all know that the Americans have a 200 mile limit. We know it. And I have had discussions with the equivalent of a Deputy Minister of Fisheries at a meeting in Washington, not too long ago, who quite frankly and quite openly told me that their policy was to phase out all foreign effort within their 200 miles, to build up their fleet to the point where not too far distant they would be able to catch all of their allowable catch. In fact, that gentleman told me that there is

Mr. W. Carter: only one country that will get any preferential rights at all and that is probably Mexico. All other countries, he said, will be phased out and as quickly as possible. In fact, I am told that there is quite an intensive campaign on in the States for a programme building ships to beef up the American fleet so as they can go out and catch their own fish and phase out foreign effort.

Now then, with that kind of an effort on the part of the Americans does it stand to reason that that market in which we are selling 95 per cent of our fish will one day maybe dry up or certainly they might make it more difficult for us to sell our fish into that market?

Therefore, Mr. Chairman, the 200 mile limit will be meaningless, will mean very little to us, if we have all of that fish out there, the stocks will rebuild as projected, so that by 1985 the cod stocks in the Northern areas will go from a present day quota of 135,000 to 300,000 metric tons in seven short years. We know that the Canadian fishing effort will increase, not as fast as it should, to coincide with that rapid build up in the stocks. So who is going to buy the fish? Who will buy the fish that we will catch? We cannot depend on the Canadian market, and that is for sure. Canadians are not big fish eaters. I suppose one of our plants here could process enough fish in a month to keep the Canadian market going for a year. We have to look to Europe for markets. We have to look to the EEC countries, people who eat fish because they enjoy it, not because it is cheaper than mincemeat or chicken legs; they eat it because Mrs. European Housewife has been trained, has obviously been sold on the advantages of having fish as opposed maybe to meat. The Europeans consumption of fish is about, I believe, three or four times greater than that of the average North American, the average per capita consumption of fish in the EEC countries is about forty-two or forty-eight pounds, I believe, a year as opposed to, I do not know, ten or twelve pounds



MR. W. CARTER: in Canada and the U.S. We have to look to Europe for markets for our fish.

MR. F. ROWE: Cannot we do that without foreign ownership over here?

MR. W. CARTER: That is one of the advantages in this so-called, or this merger of the Nordsee Ocean Harvesters in that we are getting a toe hold, as it were, into the European market. That company

MR. W. CARTER: the Nordsee company, is one of the biggest of its kind in Europe, probably the biggest. It has got, I believe, something like 265 outlets in Europe for its fish in several countries. Last year the gross sales of that company, I think, was over a half a billion dollars. I believe that the Nordsee-Ocean Harvester deal can be very beneficial to this Province. Granted it is foreign investments. But are we going to expect the Newfoundland fishermen, who have been exploited, torn apart for the past two or three hundred years, are we going to expect them to wait another 200 years to get social and economic equality? Are we going to expect them to sit back and to continue to be a have-not until Mr. So and So up on Bay Street or St. James Street or some other place in the golden triangle of Ontario decides to move in here and to invest their money? They are not doing it. The investors of Canada, Central Canada are not investing their money in Eastern Canada and more especially not in the fishing industry. The returns are much greater on their money, of course, in, maybe, real estate, in the golden triangle, or Albertan oil or something else that is a more safe or at least a more sure bet for them.

I would like to see Canadian businessmen, Canadian investment have first crack at the development of our fisheries just as I believe that Canadian fishermen, Newfoundland fishermen should have first crack at the resource. But I am not prepared to stand around and to go up to the golden triangle on hands and knees and beg for these people to come in here and to invest their money. And I submit, Mr. Chairman, that if we are going to wait for that to happen that we are going to wait a long time.

MR. W. DOODY: They will be in dories for a long while.

MR. W. CARTER: I had the privilege some weeks ago of speaking to the Canadian Club in Montreal, a club that consists of some of the wealthiest and more influential people in that city, in that Province. I told the gathering, as I am telling this Committee, "We want Canadian investment in this country, in this Province, we welcome Canadian investment but we are not going to wait forever for it." And I told them, and I am

Mr. W. Carter: telling this Committee now, that our position is that we will develop the fishing industry. We will develop the fishing industry. We will give our fishermen social and economic equality with or without Canadian investment. If they want to come in they are welcome. They would be welcome to come in here and they will get whatever encouragement they need from this government. But we are not content to sit back and to daydream and to wait until they make up their minds.

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: The opportunity is there. And if they are so blind as to miss this opportunity it is going to be their loss. Because I can tell them now, and I can tell this Committee, that there are countries and companies in those countries that are waiting, lined up, waiting to come over here to do something for the fishing industry. And I say so be it. For the first time in our history pretty well in this Province, one of the few times in our history, that we have got something that they want. And I believe that we can sell it to them on our terms.

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: Because I believe the need is there.

We talked about the Nordsee company. Do not forget these people are very, very energetic and ambitious people. And I submit to you that if they do not get access to some of our fish that they are not going to allow their companies to go bankrupt or their ships to rust out on the beaches; these people will develop new sources of raw material. They will find ways and means of fishing off the Argentine, for example. They will find some way to catch other species of white fish, wrap it up in some kind of batter and sell it to Mrs. European Housewife, and then we will have lost our big chance. Either that will happen or Mrs. European Housewife will maybe switch to something else. It has taken years to build up the market that they have now in Europe and once that market is lost or jeopardized then I think we are going to be the real losers.

There are a number of advantages to that proposal. I would much prefer, naturally any Newfoundlander with blood in his veins

Mr. W. Carter: would prefer to see Newfoundland capital going into our most important industry. Well, that capital is not forthcoming. I have some figures here on the amount of money spent by both levels of government in the past ten years, I think. In the past ten or twelve years in this Province the Provincial Government has spent something like \$150 million. In fact \$182.7 million have been spent

Mr. W. Carter: by the Provincial Government over the past, say, ten years. I do not have the - yes, a ten year period. In the past ten years the Provincial Government under all headings has spent \$182.7 million. The Federal Government spent \$230 million. And that again is under all headings- surveillance, icebreaking where it is necessary, ships, research ships and everything else. Despite all of that money, despite the \$182 million we have spent, I do not know if the members of the Committee realize, but if we are going to do anything with our fishing industry, if we are going to give our fishermen a chance to maximize the benefit that is there to be had from the 200 mile limit and the rebuilt fish stocks, we are going to have to spend in the next ten years at least \$750 million. Three-quarters of a billion dollars will have to be spent in this Province by both the private and public sector if we are going to be able to maximize the benefit that should flow from the rebuilding of our fish stocks because of the 200 mile limit.

Just compare that with what has been spent already, \$182.7 million plus \$230 million, compare that with what must be spent during the next ten years. Now then we have a choice: we can nationalize the fishing industry, take it over, do everything ourselves, let John Q. Citizen take all the risk, spend his money to build up the fishery; or we can encourage the private sector to move in and do the job for us.

It is obvious that the money is not in the private sector in this Province. We have companies that are struggling along, and doing a very good job considering the limitations on their resources; spending money, putting in a few plate freezers here, and a few filleting lines there, and investing in a ship or two. But that is not the way to go. We cannot afford to sit back and wait until the private sector - and I am sure my good friend from Fortune-Hermitage (Mr. J. Winsor), who was associated with the fish business, is aware of the problems involved, the problems that are being encountered by people

Mr. W. Carter: in the private sector to get money- to get the risk capital that is required. We do not have that kind of money in this Province. The Province itself does not have the money. This Province cannot afford to commit itself to three-quarters of a billion dollars in the next ten years to build ships and to build infrastructure, to build plants.

The Canadian investor is unwilling; they have got the money , but they are unwilling to invest it. They are unwilling to come in here and to invest their money. So what do we do? Do we just sit around and moan and groan and wait? Do we reminisce and romanticize about the rebuilt stock and about the fact that there is that much fish up there to be caught and that nobody else should catch it? Or do we set about and find ways and means to developing the industry?

Money is available. Capital is available from Europe, from several countries in Europe. And I submit that if our own people are not prepared to come in and do the job, and if we cannot do it ourselves, then we would be fools, we would be absolutely and utterly mad not to take advantage of this capital, this technology, and, maybe more importantly, the markets that are there to be had as well.

MR. W. DOODY: Absolutely.

MR. W. CARTER: That is what we are doing. I get little joy out of knowing maybe that one of our Newfoundland companies will be under control, to a certain extent, by foreign people, foreigners. But I have some consolation in the knowledge that it is probably one of the most controlled industries in the world today. You have a company that first of all must get a licence from the Minister of Fisheries to operate the plant. That is number one. the number one safeguard. They must apply for and get a licence from us to operate that plant. That is number one. Number two, before they can operate a ship anywhere they must apply to my counterpart in Ottawa for a licence to operate that ship. That is number two safeguard. Number three, of course, there are laws under the Department of National

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Mr. W. Carter: Revenue where certain measures are imposed on them with respect to profits and with respect to taking their profits out of this country. And they will be under constant review by the Foreign Investment Review Agency. These are three or four very stringent measures that will

Mr. W. Carter: continue to monitor the operations of that company and keep it under close surveillance.

I am sure that if it ever comes to light that that company is operating in contravention of the terms and conditions under which they were granted permission to come into this country, that one or the other, the Province or the Federal Government, will step in and do what has got to be done. But I do not think that it is enough to sit back and just wait until everything else falls in place. Opportunities just do not happen, you have got to make them happen in this Province, especially when you are dealing with the fishing industry. And I contend that the Nordsee-Ocean Harvester proposal will be good for the area, good for the Province, and good for the fishing industry.

Somebody over on the other side today mentioned, "What are they leaving here? What did the Bird's Eye people, what technology did the Bird's Eye people leave to the Newfoundland fishing industry?"

MR. NEARY: Two and a half million dollars.

MR. W. CARTER: I submit, Mr. Chairman, that the technology, the advantages that we will have by being exposed to the West German technology will be of immeasurable assistance to our Province and our fishermen. That, of course, plus access to their markets. What is more important, Mr. Chairman, is that if they do not catch that fish it will be caught anyhow.

I heard the hon. the Leader of the Opposition on television tonight expressing concern for the inshore fishermen. Of course. I am sure he is sincere in what he says. But there is one thing he is obviously missing, one point; that we do not in this Province set the total allowable catches. We do not set the quotas. We do not declare the surpluses. We do not issue licences to ships to catch that fish. That is done by Ottawa, and I can only hope that it is being done on the basis of good, sound, hard, scientific, biological data that is collected by what I think are probably the best



Mr. W. Carter: scientists and biologists in the world.

SOME HON. MEMBERS: Hear, hear!

MR. F. ROWE: We have nothing else to go on.

MR. CHAIRMAN (MR. YOUNG): Order, please!

MR. W. CARTER: If we do not allow the Germans, if we do not build up our catching effort to catch that fish, then we are going to forfeit our right to it, and we deserve to lose it.

MR. CHAIRMAN (MR. YOUNG): Order, please!

MR. W. CARTER: Mr. Chairman, my offer still stands, I am prepared to speak for two hours if the House will let me.

MR. CHAIRMAN: (Mr. Young). The hon. the member for Baie Verte-White Bay.

MR. T. RIDEOUT: Thank you, Mr. Chairman.

I just want to take a few minutes to put a few questions to the minister since it appears obvious again that we may not get down into the Heads V and VI where some of the questions are I would like to ask. I am going to take this opportunity to ask the minister a few questions and hopefully when he speaks again he may be able to give me a few answers. I am not going to get into this Nordsee debate at this time. There will be an opportunity for me to do so later, although I do have some strong thoughts on it. I am going to do away with those right now and deal with it at a later time since there is a resolution on the Order Paper to that effect.

I want the minister to let me know when he speaks again exactly what type of plans the National Sea Company has for the operation of the fish plant that they have recently acquired at LaScie. As the minister is aware, the government sold them that plant this past winter and they are now the new owners and will be the operators this year of that once government-owned plant. They say very casually in their acceptance of the deal that they are prepared to take whatever swims and the fishermen in our area are certainly hoping that they intend to do that. A fisherman to succeed and to make money in the fishery today, Mr. Chairman, as the minister knows, must be able

Mr. Rideout: to fish all species that he has the ability to fish and land that are out there.

We have had that problem down in LaScie this past number of years that they could not sell different species of fish, like caplin and squid and turbot and fish of those types of species. Now National Sea comes in with the promise that they are going to be able to handle whatever the fishermen can bring into them.

Well, I would like for the minister, in view of the fact that they have sold the plant to those people, I would hope that those people have told the Minister of Fisheries exactly what they plan to do with their newly acquired property at LaScie, what their gain plans for operation is. You know, do they in fact intend to expand the facility so that they will be able to handle all the species of fish?

MR. W. CARTER: \$300,000 this year on building that.

MR. RIDEOUT: Okay, that is good. So I want the minister to give me some details on that when he rises to speak.

Now the other important fishing centre in my district, Mr. Chairman, is Englee.

Mr. Rideout: And while I have publicly at times helped sing the praises of our present Minister of Fisheries, and rightly so where he deserves it, I am very bitterly disappointed with the Minister of Fisheries when it comes to Englee. Englee could very well be-between St. Anthony and LaScie- it could very well be one of the most important fishing communities on the Northeast Coast of Newfoundland. There is an old ~~run-down~~ plant there that has been there- well, I do not know how long it has been there, but, you know, it has certainly been there for years and years on end. And the Lake group of companies have been operating it for the past number of years and they have done a very good job. I know that they have been trying to purchase that plant because the government has some interest in it, and so does Canada Bay Cold Storage have an interest in it. I know the Lake group has been trying to purchase it, whether or not a deal has been struck yet , -

MR. W. CARTER: Yes.

MR. RIDEOUT: - I am not sure. So that is another question the minister has answered. So a deal has been struck.

Now the other question is; What is the government going to do to assist that company to develop the fishery at Englee the way it should be developed? As I indicated before, Englee could be one of the most important fishing centres along the whole Northeast Coast. But to this day, Mr. Chairman, it is my conviction that the fishery in Englee has been down-played and it has been under estimated by all levels of government, including this present government and this Minister of Fisheries.

While this Minister of Fisheries was travelling the Province seeking the advice of fishermen, he did not go to one of the most important fishing communities on the Northeast Coast, which is Englee. I attended a meeting that the minister had in Plum Point, I believe, one time last Fall, and those people had their convictions and their traditions and their ways and they would not even go to the meeting despite how interested they were because it was held on a Sunday. They were willing to travel the hundred miles

Mr. Rideout: or so to get there, but it was held on a Sunday, and those people just would not go, and you cannot argue with that. I offered to give three or four of them a ride over with me, but they just would not go because it was held on a Sunday.

And the other thing they are perturbed about is that the Minister of Fisheries did not do at all to this community of 3,500 people that is solely dependent on the fishery. Nothing else to look forward to, no other resource to exploit but the fishery and the whole economic life of that community depends on the fishing capability of the area, and it is there.

So I want to know what the minister's department is doing with reference to Englee. Are they going to help out the Lake group to modernize the plant? Because it is soon going to fall into the water anyway it is that old and it is that rundown. It is a tribute, Mr. Chairman, to the genius of the people who are working down there that they have been able to keep it operating so long. And the Lake group, despite the fact that they were only leasing it for so many years, has put many hundreds of thousands of dollars into keeping it going. So I think that it is time that the government of this Province take an interest in Englee. It is time that they start giving some assistance to whoever is going to operate that plant so that the economic life of that community can be guaranteed. It is there. The source is there. Some of the best fishermen in Newfoundland are there, but they need some help. The plant needs to be refurbished, it needs to be revitalized so that the economy of the area can continue to grow and prosper.

And also, Mr. Chairman, we need, and again I want the minister to address himself to this, we need some sort of a fishery policy for that whole area, Englee, Side Arm, Conche, which is not in my district, but in the district of my friend, the member for the Strait of Belle Isle (Mr. Roberts). But that whole area is so compact, and Englee could be the hub of a great fishing industry in that particular area. It could be centered right around Englee

Mr. Rideout: with a small feeder plant in Bide Arm. There is one there sitting rotting into the ground right now. I do not know if anything is going to be ever done about it. I am talking about the former - what was it? - Reid's Fisheries Products, was it? The Minister of Transportation ought to know what I am talking about - and he puts his hands over his eyes. But, Mr. Chairman, it is a crime that nothing has been done to get that facility operating. It could operate, and it could take care of the glut situation in that particular area. Lake's have already made proposals to government about utilizing it and operating there, but there seems to be no leadership or no interest in developing a comprehensive fisheries policy for that whole area. And it can be done with Englee as the centre, with Englee as the hub, and Englee the main processing centre utilizing those, the plant at Bide Arm, the small community stage at Conche, and so on, but with it all essentially finding its way into Englee.

MR. RIDEOUT: So it can be done but it will take some thought, it will take some leadership and it will take some dollars by the government and that to this point, Mr. Chairman, has been lacking. As I say, Englee is one of the greatest fishing centres on the Northeast coast but this government I think has down played the importance of Englee in the Northeast coast fishery.

Now there is one other point that I want the minister to make note of and that is the talk that has been going around in recent months regarding the proposal of a Dutch company to build a plant at, I believe Triton, in Green Bay. I am all for building a fish plant, providing jobs and so on, providing the necessary processing capability anywhere that it can be done without affecting the prospects of a successful operation elsewhere. But before this government gives that proposal its blessing, and I am not suggesting they have, but before they do I would hope that the impact of such an operation on the LaScie fish plant will be looked at and of course I could go further and say that the impact of another processing plant on the one already in existence at Twillingate in the district of the Leader of the Opposition because that area feeds these two plants. There are more fish that come into the LaScie fish plant from Smith's Harbour and all that side of Green Bay, there is just as much fish as comes in from anywhere on the Baie Verte Peninsula. So if that source of product is taken away then obviously the fish plant at LaScie is going to suffer. This group have come in and made proposals about bringing in trawlers and draggers and all this kind of stuff. I do not know how much work, if any, the minister's department has done on it, but I hope they have and I hope they will not let such a proposal slip through without looking at the consequences for LaScie and Twillingate. I think there is a small privately owned processing operation in Little Bay Islands -

AN HON. MEMBER: George Jones.

MR. RIDEOUT: - Yes, George Jones - that would also be adversely affected by this. You know, more processing capability, more processing facilities, sure, if we can utilize them without damaging the others that are already in existence. The LaScie fish plant is vital,

MR. RIDEOUT: absolutely vital to the economy of the Baie Verte Peninsula and I am sure the same argument can be made for the one at Twillingate and the one at Little Bay Island. So to put another one in there at the peril of those, Mr. Chairman, I do not think would make any economic sense whatsoever and I would hope the minister would give some sort of answer to that when he rises again.

I also want to ask the minister one other question before I take my seat and that is what if anything he is going to do about the tremendous backlog of work now before the Fisheries Loan Board. I understand, for example, that within the last month the Fisheries Loan Board received 1700 applications and of course a lot of fishermen -

MR. NEARY: The glut you are talking about now, is it?

MR. RIDEOUT: The glut, yes, the glut in the Fisheries Loan Board. But a number of fishermen in my district, Mr. Chairman, have been calling me this last couple of weeks saying, "Look, we do not know when our application is going to get before the board." They meet every three weeks or something, I believe, for a day or so but with 1700 or 1800 applications and with them still coming in there is going to be no way that we are going to be able to process those applications so that fishermen who are now waiting to hear so they can get back into the fishery in another month or so on the Northeast coast -

MR. J. WINSOR: Get their boats ready.

MR. RIDEOUT: Engines and, you know, numbers of them have built new boats during the year and they want to get engines and whatever else they assistance from from the Fisheries Loan Board, but with that type of a backlog of applications then those people are not going to get in the fishing boat in May or June unless some special effort is made by the board to clear up those backlog of applications. I know they have to be assessed and they have to go out for assessment and so on, but unless we get some special help there are a lot of fishermen, I would suggest, Mr. Chairman, in this Province who are not going to be ready to go in the fishing boat in another month or so. So I would like for the minister to let us know what he is going to do about that particular situation.

April 17, 1978

Tape No. 1111 (Night)

AH-3

MR. RIDEOUT: The last thing, Mr. Chairman, is I want the minister to tell me what plans he has for developing of some sort of fishery facility at Smith's Harbour. There is more fish landed at Smith's Harbour to go into the LaScie plant ! I understand that it is the second largest landings of anywhere that that plant collects from; Shoe Cove, I believe, would be first outside of LaScie itself, but Smith's Harbour is the second one. They do not even have a holding unit there to store the fish in. There is a little shack on the federal wharf that was put there by Newfoundland Quick Freeze and after two or three boats come in that is all filled up and the fish consequently end up on the wharf sprinkled with ice for hours on end



Mr. Rideout: waiting for a collection truck to come and take it to the fish plant. Now if we are talking about quality products and about getting the quality of our product up, then you cannot do it that way. There was a start made last year to build a wharf on which I understand there will be placed some sort of holding unit, but apparently the company that was doing the work went bankrupt just after the wharf was brought up over the high water line and that is where she sits today, with no shed and no wharf, and the fishery about to start in four or five weeks time.

So I want the minister to tell us what he intends to - and by the way, Smith's Harbour is the sort of focal collection point for all that part of Green Bay, not only Middle Arm and Burlington, which are in my riding, but in dozens of communities - or certainly a half dozen or so communities in the riding of the hon. the Minister of Mines and Energy, so it is very important that some sort of fish handling facility be put there because that is where it is all brought into; it is brought into Smith's Harbour and then taken from there by truck to the processing plant at LaScie.

So, Mr. Chairman, there are a number of pointed questions there I have brought up; granted, they are just relative to my own district, but they are very important. I would hope that when the minister gets a chance to speak next he will provide me with the answers to them.

MR. CHAIRMAN (MR. YOUNG): The hon. the member for the Bay of Islands.

MR. L. WOODROW: Mr. Chairman, I would like to have a few words to say on the topic also. The estimates have developed into a debate on the Nordsee. But before I continue with the few remarks I have, I would like to congratulate the minister for the good work he is doing with his department, the Department of Fisheries. And with all of the questions placed before him tonight it is no wonder that he has to arise at 6:00 A.M. almost every morning including Sundays. And I understand on Sunday mornings to show how much he loves the sea and

Mr. Woodrow: the fish he is down on the wharf on Sunday mornings getting a little puff of the sea down there.

MR. H. CARTEP: To cool off.

MR. WOODROW: To cool off, yes.

Now he has gone over the Province, I suppose, in the past two or three years, on two or three occasions, and before I end up my few words I am going to tell you what happened as a result of his visit to my district. And I am convinced that he is a very good Minister of Fisheries -

SOME HON. MEMBERS: Hear, hear!

MR. WOODROW: - and I hope the Lord will spare him and give him the health and the strength to continue for many more years, even beyond 1979.

Mr. Chairman, the Nordsee, although many things have been said about it, it seems to be becoming more confusing as this debate or, as we say, this discussion continues. I am just wondering if any of you people, if any of you hon. members, ever sat in the back of a large church on a Sunday and watched -

AN HON. MEMBER: They were right to the door.

MR. WOODROW: - the people come and go, people, real good Newfoundlanders who are relying upon us, who are really and truly relying upon us to help them. But in many cases what are we doing? Mr. Chairman, we should take a leaf out of the book or out of the speech that the hon. the member for Port de Grave (Mr. Dawe) made tonight.

SOME HON. MEMBERS: Hear, hear!

MR. WOODROW: And the hon. the member for Burin-Placentia West (Mr. Canning) as well, and also the member for Eagle River (Mr. Strachan), who spoke honestly and sincerely. We have a real obligation on our hands not, for example, we should not be trying to say, "Am I going to be elected again?" That is not being a Newfoundlander, Mr. Chairman. That is only trying to play Brownie points, trying, for example, maybe to fool the fishermen of this Province. That is a terrible

Mr. Woodrow: tragedy.

What I think we should do with the Nordsee, I am going to suggest that we should set up a select committee of good, unbiased Newfoundlanders, maybe have a man like Father Desmond McGrath on it, Look at all of the good he has done for the fishermen.

MR. MEARY: He is going to try to run for the NDP.

MR. WOODROW: I heard that. I heard that. Yes, and that is beside the point. Look at all of the good he has done for the fishermen throughout the Province of Newfoundland.

MR. SIMMONS: Have you been talking to Andy Hogan lately?

MR. WOODROW: Andy Hogan? I know Andy Hogan very well. I feel, Mr. Chairman, that there must be some good, unbiased and non-political people in this Province who can give us an unbiased opinion about norasee because it is a very important issue.

MR. S. NEARY: Members of the House should be on the Select Committee.

MR. WOODROW: It may not be important to the members of the West Coast of the Province but it is important of the member for Bay de Verde (Mr. Rowe), the member for Harbour Grace (Mr. Young), the member for Port de Grave (Mr. Dawe) and other members as well. And I do not think that we should be playing games with the lives of our poor fishermen. God knows, in fact looking down through the years, in fact they were treated like dogs and slaves and I hope to God that that time is gone. In fact all you people know, the member for LaPoile (Mr. Neary) knows how hard the fishermen had to work in this Province. I think it is time for us now as good politicians and good citizens of this Province to try and help them.

I thought when the member for Trinity - Bay de Verde - I do not mean to be critical with him but he has spent a lot of time proving that the Estimates for 1978/79 -

MR. W. CARTER: Trying to prove.

MR. WOODROW: -Well trying to prove - were 7 per cent cent and not 10 per cent. What does it mean if there are 50 per cent? Why in fact waste so much time trying to prove that? Now also in his remarks on the 200 mile limit he forgot to mention the seven loyal members of the Province of Newfoundland and Labrador who worked so hard to bring that 200 mile limit to the Province. The present Minister of Fisheries was up there at the time, He certainly played in fact a role in getting this done as well.

MR. WOODROW: Now I am certainly saddened and dissappointed that a fish meal plant in my district - the hon. member for LaPoile (Mr. Neary) happened to mention -

MR. S. NEARY: I had been talking about it long before that.

MR. W. CARTER: Go on.

MR. WOODROW: No, my hon. friend, I knew about it long before you did. However, in fact, I am very sorry to hear this because it is going to take away employment from seven men plus the spin-off jobs like, for example, hauling the offal and whatnot and it is going to create another problem. It is going to create a problem of pollution in and around the Bay of Islands because after all there are six herring plants open to Bay of Islands. Now, of course, I understand, and I have not got all the facts about it yet, but I understand this had to close down because of lack of raw materials to use in the plant. But I hope however that with the 200 mile limit, which will mean I hope an increase in fish landings in and around the Bay of Islands and down around Trout River and the like, I hope that we will be able to, with God's help, get this plant underway again.

Now somebody was saying the government had no programme. I doubt very much if the hon. member for Conception Bay South (Mr. Nolan) knows what a fish is. I have the feeling he does not.

MR. J. NOLAN: If the hon. member will permit?

MR. WOODROW: Yes.

MR. J. NOLAN: I am sure that the hon. member is aware that Conception Bay, the very name signifies that it has been identified with the fishery, for example, ask his hon. friend the Minister of Fisheries about the community of Foxtrap and the fish plant there and maybe that will give him

MR. J. NOLAN: some idea of what the fish are like in Conception Bay. <sup>Or</sup> my hon. friend for Grand Falls (Mr. Lundrigan) who fished out of the port there himself.

MR. L. WOODROW: I generally judge by the shape of a person's hands whether he is a fisherman or not, Do you know that? In any case, Mr. Chairman, this already has been said in this hon. House but just take a look, for example, at the research and development, vessel development \$250,000; low energy fish dry-out \$50,000; development of stationary and inshore fishing gear \$100,000; development of cleaning procedures \$10,000;

Mr. Woodrow: investigations into mobile fishing gear efficiency \$125,000; fishing vessel experimentation, this probably could refer to the members of Port au Port and Stephenville, the two vessels, the Harmon I and the Harmon II. You could go, Mr. Chairman, on and on.

Now I think it is tragic, it is tragic when people get up in the House and say that the government has no, say, programme. My goodness, in fact, Glory be to God, you would want to be stupid. They certainly have a programme. I am not saying they have all of the answers. My God, who has all of the answers?

MR. NOLAN: Oh my!

MR. WOODROW: They are trying to get the answers. Take, for example, again the question of the glut problem, the committee which will serve without remuneration, will be made up of the following; Mr. A. Etchegary, O'Brien, Greene, Kennedy, Short, William Short a member of - a fellow who came from my neck of the woods, down around Kingston, in the North Shore of Conception Bay. And of course he goes on to speak about the information desks that he has set up in the various places throughout the Province.

Now I think it is wonderful, Mr. Chairman, that all of us, especially the members who are responsible for people living in the communities throughout the Province who have to depend upon the fisheries. Take, for example, my hon. friend for Burgeo-Bay d'Espoir (Mr. Simmons). How often have I in fact been in Burgeo and been in Ramea, and storm bound in Roncontre West and Francois and the like, and I know in fact how these people have to depend upon the fishery for their livelihood and I can assure you they are good, honest people.

Now it is interesting to note and to show the importance that people in the Bay of Islands district are giving to the fishery, In Lark Harbour alone this year there are five new boats over thirty feet in length, and almost every day, in fact, I am hearing from somebody who is trying to get a new boat or, say, who

Mr. Woodrow: is trying to get a new engine or the like.

I mentioned earlier that I would bring to the Committee or tell them about a visit that the hon. Minister of Fisheries made to the Bay of Islands district, I think it was March 1976, I believe.

MR. W. CARTER: Yes, it was historic.

MR. WOODROW: Historic, of course, absolutely historic is right.

And that visit resulted in the activation of a government owned fish plant in the Community of Cox's Cove. Now this fish plant at the present time - I notice members on both sides of the House, I noticed the member for Grand Bank (Mr. Hickman) does not mind mentioning the fishing captains and the other people in his district and the like. So I take great pride in mentioning a man like John Roy Hackett, I remember him growing up on Wood's Island, just a humble hov.

In fact, his father died when he was very young; his father was drowned, I believe, up off Cape St. George some years ago, And he is one of the co-operators of the fish plant in Cox's Cove. And the other man is a man who worked with Dunphy's Fisheries Limited for twenty-five years, I refer to Joe Taylor of Bonne Bay. And Joe Taylor really he lives fish; in fact, if you call that man 12:00 o'clock at night he would be in the fish plant, he is really dedicated.



MR. WOODROW: In fact, I never saw a combination of two men before in my life who work so hard and have so much interest in their work. Now it is interesting to note, and I announced this only last week, that there is an extension now being put on this plant and as a result of the extension being put on the plant they are going to have an ice machine capable of producing six tons of ice per day. Also - and I will tell you why I am mentioning this after I finish - also they are going to buy a new cutter, a pinning machine and also a sterilizer. Incidentally, I would like to say that the government gave them \$20,000 but the other ninety-odd thousand dollars is being put into the plant by the operators of the plant and I think this is really a wonderful thing. It is nice to know that men like John Roy Hackett and Joe Taylor are really so interested in the fishery and as a result of their hard work they are going to leave a lot more dollars in the Coxes Cove-North Shore area in general.

I heard today, only today, and probably the minister will comment on this, I understand that there are hundreds of tons of herring being landed in Stephenville which is a great thing but the trouble is that they are trucked to Nova Scotia. In fact apparently the fish plants in Curling as the fish plant in the hon. member for LaPoile's (Mr. Neary) district in Port aux Basques are by-passed. Why can they not be processed in Port aux Basques or in Curling or somewhere?

MR. NEARY: They have all the herring they can handle down there.

MR. WOODROW: But it is too bad that they have to be trucked from Stephenville over to Nova Scotia when so many dollars could be put into the hands of the people in maybe the Stephenville area or for that matter the Bay of Islands area as well.

Now I also hear today, in fact I was in communication today with the fish plant owners in the Curling area and in the Bay of Islands area in general and I understand that they have a quota of 4,000 tons in St. George's Bay and between Cape George and Cape Gregory they have a quota of 3,000 tons and in a place called the Hedge, that is the Cape on the Northern side of Cape Breton, they have a quota for 27,000 tons. At least at the present time all the herring plants over in

MR. WOODROW: the Bay of Islands are getting lots of herring and as a result are leaving a lot more dollars into the hands of the people over there.

So, Mr. Chairman, I really feel, and I say this sincerely - I try to be, at least - I worked with poor people all my life and still work with them, and hope to continue doing the same thing, but let us not play games with an industry, the main industry of our Province. In fact it is the main industry.

AN HON. MEMBER: Praise the Lord! Praise the Lord!

MR. WOODROW: If we could only lay aside partisan politics altogether, if we could just do this say for five hours in this House and talk on this great industry of the Province, I think in fact we would do a whole lot of good for the people of the Province and Newfoundland and I feel that that is what we are all here for. I also feel, Mr. Chairman, it is too bad that we could not speak more often in this House because we all have a few words, we all have a little message in one way or another and I feel that all of us should be able to speak more often

Mr. Woodrow: so that our voices will be heard, and the people we represent will know that we are working on their behalf.

Thank you, Mr. Chairman.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN (MR. YOUNG): The hon. the member for Fortune-Hermitage.

MR. J. WINSOR: Thank you, Mr. Chairman.

I am very glad to see my friend on the other side is back to his old preaching style.

MR. WOODROW: Very good! Very good!

MR. J. WINSOR: You were getting warmed up on the tail end of it.

I only have a few remarks to pass on this. For one wild moment I thought we were debating the estimates, but I think we have covered a wider field than that. There are no experts in this House on fisheries, but there are many of us here who have a certain amount of expertise in certain areas.

SOME HON. MEMBERS: Hear, hear!

MR. J. WINSOR: And all of us should know something about our own districts and what goes on there. And I am sure there are still others on this side and the other side who would like to say something about the great industry of fish. You know, I can go back fifteen or twenty, maybe twenty-five years ago if you like, when the fishery was poison; the fishermen were getting two or three cents a pound for their fish and it was never considered the backbone of Newfoundland. But the last few years we have found out it is the backbone of Newfoundland. The fishery is still ongoing. The refineries are closed up and the mines are closing down, the paper companies are having a hard time trying to sell their paper, but we are still selling fish. And the only reason - there are two reasons why the fishery is so important and why it suddenly bounced back, the fisherman is getting a good price for his fish. You would want a lot of guts to go out and fish in all kinds of weather like they do on the Southwest Coast all the year around, and like they do on the East Coast and have to go off fifty - the Northeast Coast, go off fifty miles to get a trip. You would want to have a lot of guts to fish and get three cents a pound or two cents

Mr. J. Winsor: a pound; but sixteen cents, nineteen cents that is something else, plus a federal subsidy of two cents and a provincial subsidy of another half cent, or something like that.

Another reason is the federal government woke up after a while and after a lot of in-fighting and got us the 200 mile limit.

MR. DOODY: The members of the House were fighting for it.

AN HON. MEMBER: Do not forget to praise the Newfoundland members boy!

MR. J. WINSOR: Well, I guess we are here to fight for these things. We did our share. I was not in the House when that started, for sure, but I was somewhere else and we were all fighting for it. It was no trouble to see what was happening to the fishery. One time the trawlers would come in with 350,000 pounds aboard, side trawlers; 25,000 pounds of that would be on deck, iced. They are not doing it now because, as has been pointed out by everybody that knows anything about it, and I am sure the minister made a very good case for it, the foreign boats were taking too much fish from us, and they are still taking some fish. And are we going to stop the French from taking fish? They have got rights back farther than we have, traditional rights. They are sitting on our doorstep. They want a twelve mile limit around St. Pierre and Miquelon, too. It is very difficult to get all the way around there with a twelve mile limit. If you add the twelve mile limit to our twelve mile limit you will find that there is a buffer zone there somewhere with both French and Newfoundlanders fishing there. All the foreign countries have had some fishing rights in our waters for many years, and the federal government in no way can cut that off suddenly. There are many reasons for it. You talk about getting in the European market; well, if you kick them all out it is not very likely they are going to buy your fish.

I almost touched on Nordsee, which I do not intend to do, only to say on Nordsee - we are not supposed to talk about that, there is a resolution on the Paper - I would say if you have not read it

Mr. J. Winsor: required readings, and that is Mr. Cashin's brief from the Newfoundland Fishermen Food and Allied Workers Union. He says it all, when he hears that I said that, tomorrow morning he may fall out of his bed too like the Minister of Health. He may think that there is something wrong that Jack Winsor said something.

MR. NEARY: (Inaudible) between capitalism and socialism.

MR. J. WINSOR: I am not a capitalist, I am in between—management,

MR. J. WINSOR: that was my function. I think there has been a very good management between capitalism and the working man, the fisherman, and surprisingly enough I imagine that the greater portion of our fishermen are capitalists in their own right. They are self-employed.

MR. S. NEARY: Who is coming out on top?

MR. J. WINSOR: The fishermen are going to come out on top eventually because he is tougher than the capitalists. But never mind that; there are many things going to happen in the fishery in the next years. You can see the trend now. The inshore fishery has been excellent for the last two years. Remarkable! An example: the federal Bait Service bought 1,700,000 pounds of bait two years ago. The year before, or the year after that, they bought 2,000,000 pounds; last year they bought 2,500,000 pounds and there is a shortfall. The fishermen in Hermitage Bay and Fortune Bay, the western part of it, are fishing now with mackerel. When they were fishing with squid they go out and they get 6,000 pounds of fish per day. They go out with mackerel and they are bringing in 1,600 pounds a day. That is taking a big licking but there is no fault there on anybody's part except that nobody, nobody could estimate the increase in the inshore fishery. And that in itself will give you a clear indication that keeping the foreign boats down to very, very tight restrictions on their quotas, very definite restrictions, is having an affect on our inshore fishery already. Keep them off the Hamilton Bank. As my hon. colleague, the member for Eagle River (Mr. Strachan), has so often said in this House, that is the spawning ground. If you put the big boats, the big stern trawlers, the type that Nordsee would be fishing, that is where they have to fish. That is the only license they will get, a restricted license.

MR. J. WINSOR: and they can only fish down on the Labrador, the southern Labrador and the Northeast Coast, for perch and cod. And I personally would not like to see too great a concentration of trawlers in that area.

MR. W. CARTER: Where is that area?

MR. J. WINSOR: 2(J) or a little farther down if you like, South Labrador and the Hamilton Bank. You ruin that you ruin the fishery. It was almost ruined that is what happened to our inshore fishery.

MR. W. CARTER: At this moment there are about sixty-five trawlers fishing, about sixty-three are foreign ones.

MR. J. WINSOR: We cannot stop them, like I said. We have to give them a certain amount of leeway. If you are going to kick them out completely and say you cannot get anything, the next thing you will try to sell fish in Europe and you would not sell a pound. I know the international game may not be very tasteful to us, where they are getting large quotas and our own boats are going out and coming in with as little as 20,000 pounds of perch when she can carry 325,000 pounds. And that is a trip! That is a trip! He is only allowed four trips per season and when 20,000 is called a trip it is kind of tough on the inshore plants. All the plants are hurting. The hon. Minister of Justice mentioned Fortune. They have all their licenses for their boats they have down there. Every one of their boats is licensed the old Alfred Booth, which is an old side trawler, if they have to replace that with a stern trawler of bigger capacity, they are going to have to use a restricted license which will only allow them to fish on the southern Labrador and the Funks area like I was just talking about. How can they afford that?

MR. A. HICKMAN: That has turned out successful this year. They are doing it on an experimental basis.

MR. J. WINSOR: Well that is only a six month thing anyway. We have not got boats that are able to do it. They are not ice strengthened. They have tried it and even those that are strengthened have been beat up. I believe there is one in now, one of the National Sea boats, with a \$100,000 job to be done on her. It is going to take a lot of fish to pay for that.

MR. HICKMAN: How many boats do they have?

MR. J. WINSOR: Six.

MR. A. HICKMAN: All side trawlers?

MR. J. WINSOR: All side trawlers, yes. The side trawler is ideally suited for the type of fishing that we need up there on our grounds and the vicinity, and the side trawlers are not so expensive to maintain. The stern trawlers are very expensive to maintain. Now if we had a great fleet of boats that could deliver fish to all the plants around Newfoundland, chartered or operated by the government, if the government would like to do that and send the fish and sort it out to the different plants, the plants would make a lot more money because



MR. J. WINSOR:

their biggest loss is on trawlers, enough to choke you. You can lease a boat. You can lease boats from Germany but what do you get? A restricted licence where you can only operate it for six months. That is no good. The minister talked about improvements in the fisheries, Yes, the minister is to be commended for many improvements but there are not enough and, I hate to say it but a bit too selective in some places. I may be accused of saying the wrong thing there, there are political biases, but that is the name of the game; charity begins at home. There are a number of places in my district where they need some more facilities. The federal government has spent a barrel of money trying to revitalize the facilities that they do have. They went down. The fishermen quit the fishery years ago because of the low return on fish and so on, and it is only in the last fifteen to twenty years that they are starting to move back to the fishery and they need all their slips

improved and their landing facilities. There are many things that need looking at. I had an occasion in Seal Cove this year where their holding shed was beat up and they have not got it repaired yet and that was done in November. It is not repaired because it was just when the thing came to a head; it was just before budget time for both the federal and the provincial governments so there was no money. I had to go scrounging and I did get an offer of money to do it from a private concern. Fine and dandy! But that is now being taken care off. There is no crash programme where, if people get in trouble, premises are gone by a storm - the minister has said a thousand times here in this House that we have no ongoing programme for replacement of gear or premises or boats that are damaged and fishermen cannot get insurance for that kind of small boat. Sure, they can get insurance for the big longliners and those that are under the aegis of the Loan Board. The Minister of Justice spoke about Booth being pushed, I think, being sort of pushed out of the picture. Now you know, Sir, as well as I do that the decision for Booth to move out of that beautiful place of Fortune was made in the board room in Chicago. Now that is not pushing them. I know the climate between the Federal government and these people may not have been the most happy thing, but the federal government is fighting a tough battle. If these

MR. J. WINSOR: people built more boats, which they sadly needed - these boats in Fortune, some of them are very old and they needed more - but they spent \$5 million and built the finest plant I suppose that is on the East coast; there is nothing better, it is beautiful plant. Very shortly after that the axe fell. Now that was not somebody in Ottawa who pushed them out the door, that was the board room decision where they count the pennies and that applied to BC Packers as well in Harbour Breton. Nobody pushed them out.

MR. HICKMAN: They had eleven boats (inaudible) were destined for Fortune and there was a great deal of pressure brought to bear.

MR. J. WINSOR: Well, that is another story, that is another -

MR. HICKMAN: If these eleven boats had come down, Fortune would have been going strong today.

MR. J. WINSOR: Do not forget Nova Scotia is also in the fish business.

MR. HICKMAN: I know they are and that is what we should never forget.

MR. J. WINSOR: The federal government has to look at that and there could be pressures put on by Nova Scotia.

MR. HICKMAN: Do not get me wrong. You know, the Lakes will do a good job in Fortune if they can get the licences.

MR. F. WINSOR: I did not intend to get you wrong on that one, Sir. You spoke very well of Fortune and the way it is being done. The minister has said there is no Canadian capital available for expansion in the fish business. I do not believe that is true. There is one case in point where they went in and bought a plant; it was Canadian money, no question about that, no shenanigans, no behind the door deals. I am not suggesting that anyone on the other side said so, but I know that there were not and there is more money where that came from. There are not too many purely Canadian companies to talk with. National Sea could not be considered a purely Canadian company and I am sure B.C. Packers could not be considered a totally Canadian company. There are ramifications and that behind the scenes which I am sure some of the hon. members on

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MR. F. WINSOR:           the other side are fully aware of. We have to go back and look at men like the hon. Arthur Monroe and Senator George Fenney who are certainly pioneers in the fishing industry in Newfoundland and it developed from there and came up. I am sure you people know that probably a little better than I do. I only had a few brief moments to go through your

MR. J. WINSOR: estimates, breakdown and so on there, you talk about acouculture fish farming. I asked a certain high ranking Fisheries official a number of years ago, when I had nothing to do but look out of the window in Gaultois and watch the trawlers coming and going. "How about Bay D'Espoir for a farming set up?"

HON. W. CARTER: We were thinking about that.

MR. J. WINSOR: He pooh-poohed the idea. "You are crazy! The water is too cold." The power station was there then, the generating station. And it was only about six months ago that I saw in the papers, the local papers, where it had been suddenly discovered by some people who were interested in the fisheries that the tailrace from generating stations gave much warmer water in those areas and made it adaptable to fish farming.

MR. W. CARTER: That is one of the places we are going to develop a fish farm, we hope.

MR. J. WINSOR: That is one of the places?

MR. W. CARTER: One of the places.

MR. J. WINSOR: I did not see it mentioned in your report. I think it was somewhere in Placentia Bay. But I am sure my hon. friend for Bay d'Espoir (Mr. Simmons) will have something to say about that. The Salt Fish Corporation was mentioned. It has done a darn good job under my old friend, Mr. Maloney, whom I know very well from when he was working in Ramea, and has done a darn good job. It has filled in a gap where the men caught fish and they could not do anything else with it but salt it. There were no facilities for handling it fresh. There are still a few areas where the fishermen would like to sell it fresh because of the differential in price. It is not that great a spread but there is a certain amount of work that they do not want to have to do with their fish when it comes in.

I think I have covered both of the things that I would like to talk about now. I do not know if I have used up my time, but that is not too important. There are other people on this side and on the other side that would like to get into the debate -

SOME HON. MEMBERS: Hear, hear!

Mr. J. Winsor: -as well as myself. But I would recommend Mr. Cashin's brief as required reading for everybody in this House, especially on the other side. My considered opinion is opinion is that Nordsee would be an error. I admire the gentlemen on the other side who have fought so hard for it. I never have seen you fight so hard for anything else that has gone on here. I give you top marks for putting up a good fight in that particular area.

Thank you, Mr. Chairman.

MR. CHAIRMAN (MR. YOUNG): The hon. the member for Bonavista North.

MR. G. CROSS: Mr. Chairman, in this debate on the estimates today I have certainly listened long and intensely to what has been said from one side of the House to the other. When the hon. member for Trinity-Bay de Verde (Mr. F. Rowe) spoke since supper, he certainly mentioned that we have had six Ministers of Fisheries, I think, since 1972. Well, certainly we have only had one since 1975. So if we have had six ministers in six years, five out of these six came in three; the present minister that we have has been with us for three years. So I would say almost, say almost three, but that is to the nearest year anyway, three years, and I say perhaps we have found the right man. I said perhaps we have found the right man to act as the Minister of Fisheries. I do not want to give him too many pats on the shoulder, but I do believe, and when you believe something you say it loud enough for people to hear, that the hon. the Minister of Fisheries that we have has been a man that has worked long and hard for what he believes in. I think he is dedicated to the job that he is doing. And I also would say that the hon. member for the Bay of Islands (Mr. Woodrow), who spoke a few minutes ago, is a hard working and a dedicated member.

As I listened today to people talk from both sides of the House there are a few things that I can agree with regardless of whether a man in Opposition says it or a man on the government side says it. I listened to the hon. member for Eagle River (Mr. Strachan), also the

Mr. Cross: hon. member for Harbour Grace (Mr. Young), also the hon. member who just took his seat when he spoke of the Hamilton Banks and it being the spawning grounds, the breeding grounds for a fish that replenishes the stocks of the Northeast Coast. Certainly one hon. gentleman spoke of a foreign ban, but I believe that there is a need for a total ban on the Hamilton Bank. I do believe that. Certainly the Hamilton Banks is only a small area of our Northern fishing waters, certainly it is the spawning grounds. Our scientists may tell us that we can take a quota of so much, so many pounds, but it is not what we take, it is what we destroy in the process of taking it. I do not know if it is true or not, I never visited a dragger when she came from the Hamilton Bank, but I have been told that there is an inch and two inches of spawn on their decks if it is not washed off before they get in. If that is the truth, again I state it is not the pounds that is processed in our plants, but the pounds that are destroyed that makes it necessary for the Hamilton Banks to be protected. That I believe is the honest to goodness truth.

We talk of scientists. That is the truth. But I also said in this hon. House last year, and I say it again, that there is no better scientists than our fishermen, or there is no better experimentors than our fishermen for the simple reason that year after year our fishermen have been fishing within their boats. I am proud to be associated with the fishery. I listened to the hon. member for Burin-Placentia West (Mr. Canning) talking about his association with with the fishery. I do not want to take up the time of this House talking about myself, but I can say too that I have been associated with the fishery from a very, very early age, a very, very early age. My father was always a Labrador skipperman, and I fished for five years with my father, and I lived to see the day when the Labrador fishery was finished, where boats costing tens of thousands of dollars were put ashore - on the mud, they called it, on the mud to die. But my father did not put his boat ashore; he put her into another trade and made his living with that boat. When the boat was too old and he was too old to have her repaired, he took up the inshore fishery

Mr. Cross: again and fished in the inshore fishery for some twelve or fifteen or sixteen years altogether. And fifteen years ago I can remember my father fishing with three gillnets and a jigger, and fifteen years ago he brought more fish with three gillnets and a jigger than he did twelve years later with eighteen gillnets. That is an experiment enough to tell you that the fish is not there: three nets bring more fish than eighteen. And again the three nets that he used on the one little spot of ground, he did not shift the mooring for the Summer only straightened his net some times, and when he used the eighteen he had to go from shoal to shoal and spot to spot, and he could not take as much fish in eighteen, twelve years later. It means that our fish stocks were depleted. And certainly when our fishermen say, and there are many fishermen in the district that I represent, that the answer is that the spawning ground is the Hamilton Banks and that it should be left alone, and the day might come, Mr. Chairman, and I say the day will come when we will possibly have to leave the Hamilton Banks alone or our fish stocks will not replenish like we are thinking that they will.

This evening the hon. Leader of the Opposition spoke and if I can remember his words rightly he said there was no surplus. If that is the truth then our total allowable catch is too high. The hon. the Minister of Fisheries said the foreigners are taking 52,000 metric tons in our 200 mile limit in our Northern waters. Certainly if there is no surplus the total allowable catch

MR. G. CROSS: is too high. We should not have to suffer for that. But who sets the total allowable catch? Naturally the total allowable catch is set by the federal government and if that is the truth then the total allowable catch is too high. If there is no surplus, that means there is nothing, there are no pounds, there is no fish. there to regenerate the stocks. Or perhaps I am thinking wrong.

AN HON. MEMBER: It is settled by ICNAF.

MR. G. CROSS: It is settled by - we have control, we are told. The federal government controls the 200 mile limit and we are also told that the federal government sets the number of fish that is taken. They may co-operate, it might be joint between ICNAF and Canada, but because we have a 200 mile limit then the say rests with the federal government.

Getting back to a few figures:

If we divide the last eight years into two equal parts, four years each, we will find for the first four years since 1970 there has been an approximate total, the nearest million, of \$25 million spent in Newfoundland in the fishery. If we take the last four years we will find that to the nearest million there has been \$81 million spent. So again these figures show that we are putting an emphasis on our resource.

Certainly the fishery is one of our principle renewable resources. Certainly these figures do not lie and they tell us that we are going to improve our fishery by spending more dollars into the fishery. I have spent about ten minutes. There is a lot more I would like to say. There are a lot more people who want to speak. But certainly there is one or two other things that I want to say before I finish up.

This year in the district of Bonavista North a half million dollars is being spent in a fish plant for expansion. In the district that I represent, especially in the northern part of the district, since 1968 the story of the fishing industry has been successful, starting as a salt fish plant, expanding to salt and fresh, then



MR. G. CROSS: certainly expanding into a variety of other species-herring, crab, plus a fish meal plant. In 1969 there were 160 employed in that plant; in 1978 there will be, with fifty new jobs created because of expansion, there will in excess of 400 employed there or so I am told by the man who operates the plant and certainly he knows what he is talking about. This is Valleyfield in the district of Bonavista North. So it has been a story of success. But when the plant was taken over in 1967 nobody expected that it would become what it is today, but it takes dedicated and sincere people. And if we talk of the half million dollars that is being spent there, the provincial dollars are few but again I have been told by the man who operates that plant, and I believe in him, that the federal dollars being spent there are few as well. It is private enterprise, the man who is plowing back into the fishery some of the profits that he is making, and that is the kind of people that we want in Newfoundland.

In 1966, 1967 and 1968 the district that I represent, parts of the district, certainly the only thing you could hear was the thing resettlement. There was, and again I come back to the old, historic town of Greenspond, there was a fish plant one time in Greenspond and there was an ice plant there because there was a fish plant there. It is only this year again that something that was there one time is being replaced and put back again because the tenders have been called to have an ice making machine restored for quality of the fish in that community because there are more fishing, more fishermen going fishing and there are more pounds of fish being brought in to be kept and preserved, a good quality of fish.

Certainly there are younger fishermen getting their longliners, small and large, to go back to the fishery, who are giving up good paying jobs in the

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MR. G. CROSS:                   city or elsewhere to go  
back to the rock where they lived because they know they  
know they can make a living there, a good living there —

MR. CRCS: there is nothing wrong with that. But then again there are young fishermen going back to the fishery, certainly they are going back, but they are going back to the fishery to do two things; they can get a commercial licence, but with the licencing as it is a commercial licence or a licence to fish lumproe is all they will get. The variety of species, older fishermen that entered the fishery years ago that do have herring licences, that do have lobster licences, lump roe licences - I am sorry. You can fish lumproe with a commercial licence. But the various licences are what they cannot get. So some of the young fishermen that are going back and buying expensive boats - certainly we need control and conservation, but I think and I feel quite sure there is a little bit of discrimination there, quite sure that there is some discrimination.

My time is partly up but before I sit down there is one other thing that I would like to mention. Certainly during the past weekend I met with a number of fishermen and concerned people in my district. Certainly we know when we listen to our radios of fishermen, sealers, going out among the ice trying to make a livelihood at a hazardous occupation. This year we do know that the seal fishery to the landsman has meant many, many dollars and the seals have been more plentiful. We wonder why there are so many people sometimes who are missing out among the ice after dark; because they are concerned for their families and they want to make a living. They have it in their blood for adventure but seals mean dollars to them as well.

I met with a committee this weekend. There have been no less than two tragedies in the district that I represent, and almost another tragedy because at this time of the year when you are out two nights certainly we know how cold it can get; but I met with a group of people concerned with setting up a safety survival club in the district. I want to get back for a second to the Action Group that people in this House have said are not worth the money that is being spent on them. Those people who are concerned with that safety survival club have not come looking for dollars yet, they are not going to come looking for dollars until they have some of their own dollars to match with the dollars that they will ask for. They have contacted the Action Group and have had many

MR. CROSS: phone calls and have been given information as to where they can go to look for help, whether it is to Search and Rescue, Coast Guard, Transport or to the people that deal in safety equipment. They are concerned with teaching safety to the fishermen, and sometimes our fishermen can be just that little bit heedless but the need for safety is there and their aim is to try and take the search out of rescue.

Mr. Chairman, with these few remarks I will take my seat. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: The hon. member for Burgeo-Bay d'Espoir.

MR. SIMMONS: Thank you, Mr. Chairman.

Mr. Chairman, the subject that I would very much like to spend most of my time on tonight under normal circumstances would be the Burgeo fish plant. However, the minister has indicated to me that he intends to go to Burgeo with me in the next little while, as soon as he can schedule it, and for that reason I will pass on that one tonight, not through any lack of interest but rather because we are going to have a much fuller opportunity to hear from the minister in Burgeo with the representative of the union and the council and the general public. I have a number of questions, many of which I have discussed with the minister privately, on a number of occasions relating to the fish plant, particularly relating to the need for increased catch capability. As I say, I will leave that discussion in abeyance for the time being and I hope the minister will understand that my choosing not to address myself to that subject tonight is not a lack of interest but rather we will have another opportunity fairly soon, I hope.

Mr. Chairman, I would just like to say a word first of all on the inshore fishery and I am talking particularly about the inshore fishery on the Southwest coast. It is a very profitable, successful, indeed almost lucrative inshore fishery. There is no other

Mr. Simmons: fishery in the Province quite like it, largely because on the Southwest Coast they have the advantage of weather and climate which allows them to fish pretty well year-round, a condition that does not apply in other parts of the Province, say, on the Northeast Coast and the Northwest Coast or along the Labrador.

The fact of the year-round fishery, the inshore year-round fishery by its very unique nature poses certain problems. And I suppose one of the biggest problems, and I do not think I have really said it this way before, but one of the biggest problems is that the entire mentality of the average Newfoundlander, whether he be a civil servant in the Department of Fisheries or a member of the lay public, the mentality of the Newfoundlander generally is geared to a seasonal fish operation, by and large. And that perhaps more than anything else is the number one problem being faced on the Southwest Coast, that it is very difficult to have people in other parts of the Province, and in some cases people in authority, realize that the fishery on the Southwest Coast is a full-time year-round fishery. And it is for that reason, among others, that the people in Burgeo and the people in Ramea, where the minister has agreed to a separate meeting, the people in those areas are particularly anxious to talk to the minister, because there are issues which grow directly out of the year-round nature of the fishery in those areas.

One of the happiest results of having a year-round fishery, of course, is that you have eleven months or so in which to earn your living from the fishery instead of four or five or six or seven months, which case applies on the Northeast Coast and down to the Southern Shore.

Mr. Chairman, I just want to highlight one fairly small aspect of the inshore fishery. The minister when he comes to the coast will have an opportunity to visit Ramea and Burgeo; unfortunately because of his time constraints he probably will not get an opportunity to visit Grey River. Now Grey River is a community that does not have any great tradition in the fishery, and I believe the reasons are fairly

Mr. Simmons: well known; they were traditionally loggers, in the first instance, and then, for a short period, miners. They were not fishermen because of the tidal bore which is a fact of life for the people who try to go in and out of the harbour.

One of the happy off-shoots of the Bay d'Espoir generating project is that when the water on Grey River was dammed up and re-routed, some of it redirected, the net effect was that it made it easier to get in and out of the harbour at Grey River. Do not ask me to explain it, but that is a fact that I am told is the case.

MR. J. WINSOR: It was a tidal river. It (inaudible) the river out.

MR. SIMMONS: Yes. It diminished the effect of the large - You had a less or an out-flow of water. It diminished the effect of the runoff meeting the salt water tide, something to that effect. I am no expert in that area, as you can see immediately, Mr. Chairman, but the effect, the result, I understand, the result is that it is now much safer to navigate in most kinds of weather, to navigate the harbour entrance than was the case formerly before the Bay d'Espoir generating project went on stream.

Now, Mr. Chairman, that fact, the fact of a safer harbour entrance together with the new emphasis on the fishery and the much more attractive nature of the year-round fishery on the South Coast, means that people in Grey River are beginning to look at the fishery pretty seriously. And in recent months, through co-operation with the minister's department, the committee there, the Local Improvement Committee, has been successful in getting some improvements to the bait unit which has been there for some years, it has never really worked because it was never hooked up to electricity.

Where these the estimates of the Department of Mines and Energy, I would take a minute or two to tell you about the frustrations that the minister's department, the Minister of Fisheries Department, and the people of Grey River have had trying to accomplish a very simple result, namely, to get some electricity hooked up to a

MR. R. SIMMONS: plant. And it is no wonder, Mr. Chairman, that everything these days costs so much when you see the expense and the time that has been put into one bait unit hooked up. The minister's officials had good intentions but they ran headlong into what must be the most convoluted bureaucracy in the Province, Newfoundland Hydro. If you have never tried to get anything hooked up electrically by Newfoundland Hydro, to get it approved for a hook-up, should do it some time just for the mental exercise.

The Premier stands and he talks about telephone bills. I tell him where I spent a fairly large portion of my telephone bill this past few months: making calls for the heads of this bait unit. I would estimate I spent \$200 or \$300 of the taxpayers' money just trying to track this one item down. I am sure the minister's department has spent an equal amount, if not more. It is the most frustrating experience, but one that is not directly related to the committee's assignment right now so I will get off it.

I just wanted to say, though, on the subject of Grey River that something pretty encouraging is happening there. A number of people are getting involved in the inshore fishery. I was in Grey River last Saturday and I made it my business to find out just who is involved in the fishery there right now and who is planning to get involved. There are three fellows on trawlers right now out of Ramea; in addition there are going to be fourteen people either in dories or in motorized craft; fourteen people prosecuting the inshore fishery this year, which is an improvement -

MR. J. WINSOR: And all young men.

MR. R. SIMMONS: Yes, there are a couple of middle-aged men who have been at it for a number of years and there is an older gentleman who has been at it all his life, a father of the two middle-aged men. Otherwise they are young men

MR. SIMMONS: who are getting into it. You know, when I say young men I mean men in their late twenties and early thirties who are getting into it, in some cases, for the first time. A total of fourteen this year will be prosecuting inshore fishery in the community of Grey River. Now that is, I suggest, only a beginning.

AN HON. MEMBER: Where is the nearest plant?

MR. R. SIMMONS: In Ramea. The collector, you see, goes down the coast to Grey River and Francois, as for a number of years, three times a week - Monday, Wednesday and Friday. So the collector picks it up as I say every second day.

AN HON. MEMBER: Cod?

MR. R. SIMMONS: Yes, mainly cod. The collector picks it up quite regularly. They now have not only a - they have a holding unit there anyway, the Penney people do, but otherwise they now have a bait unit and trawl unit. This is a dual facility there. And back to Hydro they went in and they operated - the two things are in the one building, and they hooked up the trawl unit and after got out they realized there was also a bait unit to be done as well, so we are now in the process of getting them back in there to do the same job on the bait unit. I just wanted to mention that because I want to get off to other subjects. But I just wanted to draw the minister's attention and the Committee's attention to what is happening in Grey River as a symbol I think of what is happening in a number of the smaller communities, people are looking at the inshore fishery as a way of earning a fairly good livelihood and I am particularly encouraged about the Grey River example because, as members of the House will remember, I have expressed concern about the employment prospects in Grey River on a number of occasions and clearly the fisheries are the route to go here.



MR. R. SIMMONS: Now, Mr. Chairman, I want to come this subject of foreign investment for a minute or two. I have heard all kinds of statements in this Committee in the past day or so about foreign investment. I have heard my colleagues here on this side say certain things on the subject. I heard the Leader of the Opposition this afternoon give rather a good speech on the subject; and I then hear it being read back, played back from the other side as to what he is alleged to have said and what other on this side are alleged to have said.

Now, Mr. Chairman, I have not been in Committee all day when the various statements have been made, so what I have to say may well fly in the face of some things that have been said in terms of details, and if anybody wants to get into a high school type debate here they can pick at the semantics and find out that we are over here saying different things. But, Mr. Chairman, in total we are saying the same thing and it is this, very simply put:

Mr. Simmons: I do not care where the money comes from. I will lose no sleep at all over where the money comes from. Who are we fooling, Mr. Chairman? Look at the other industries in this Province if you want to talk about foreign money. I do not care where the money comes from. I do not care if it is in Japanese yen, because if that is what they use over there, or in Swedish kroner, or however it is pronounced, or American dollars, or -

MR. L. WOODROW: Or Italian lira.

MR. SIMMONS: Italian lira. My financial advisor from the Bay of Island who should really, Mr. Chairman, be sitting on this side of the House after that speech he made tonight, should really be sitting on this side -

MR. F. WHITE: To the left.

MR. SIMMONS: - so we can keep an eye on him, Mr. Chairman- or so his buddies, I mean, could keep an eye on him over there.

I do not care what the currency or what the origin of the money, as long as it is, you know, not Mafia, or it has not been laundered and that kind of thing, but in terms of country of origin I do not care, Mr. Chairman, where the money comes from. I just do not care, I cannot get worked up about it at all, I do not care where the money comes from for the fishery or any other industry in this Province, I just do not care.

I do care very much where the control lies.

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: And that, Mr. Chairman, is the crux of what we on this side are saying. We are very concerned about the matter of control. Now I heard the minister earlier tonight make reference to the seven conditions. Well, thanks to a programme that obviously does not extend to all the ministers but certainly one or two of the ministers have taken advantage of, I was able to come across the seven conditions in print, The programme I refer to is some kind of a get-to-know-me-programme that the minister has going, as you can see. Is that not beautiful? You might as well have a good look at it: You paid for it. Now he is not the only minister, Mr. Chairman; there

Mr. Simmons: are a couple of them over there that are concentrating on something, either the leadership campaign or whatever, because there is one other minister over there - look at this!

MR. F. ROWE: Not even a hair out of place,  
MR. SIMMONS: a combination, Mr. Chairman!

MR. F. ROWE: The Bonavista Barbie Doll.

MR. SIMMONS: What a combination! What a combination!

Two of the ministers are on full page advertisements these days. Now why the other ministers do not rate that kind of treatment I do not know, but here they are in all their glory. The one on tourism I would like to be able to spend an hour on because it is full of inaccuracies, but that is another story. That is quite a different story. But I think the essential message is there. I think the reason it was put in the paper, in the first place come through loud and clear, and that is the minister's picture. I think the copy was irrelevant anyway, just to fill up the hole, because it would look completely indecent if they ran a full page picture.

But back to this one here, Mr. Chairman, it does contain the seven conditions, and I will not take the time of the Committee now to go through the seven conditions. I think most of us are fairly familiar with them. I will just say, and invite the minister to comment on it, if he would, I will just say that the conditions here, even if they were all embodied in some kind of a firm agreement, and the word 'agreement' is never used in the conditions, it talks about commitments and firm commitments and long-term commitments. Now what kind of commitment, what kind of a commitment? A verbal promise? Mr. Chairman, who are we fooling? Who are we fooling? The only way any kind of commitment is going to have any affect in terms of determining the policies of that operation is if the commitment is in the form of some kind of government control or control within the Province. I am not suggesting that the government should own the plant, I have strong feelings on that subject too, but the control ought to be within our jurisdiction.

Mr. Simmons: Now, Mr. Chairman, look! My colleaues, and particularly my colleague who is our spokesman on fisheries, the member for Trinity-Bay de Verde (Mr. F. Rowe), has raised the question tonight and today in Committee of where the government really stands? Now we have seen some nice fntwork

MR. SIMMONS: over there and I must admit it is nice political footwork. But the net message, I say to the minister, coming through, the net message that comes through to us over here, and I therefore suggest to the public and to the press who may be observing the proceedings today, the message coming through is that for some quite obvious reason the instruction has gone out on that side to skate around the issue of government equity in this plant. Now that is the net message coming through, I say to the minister, because while the minister got up and had a period taking my colleague apart for various issues, the minister, notwithstanding, never did address himself to the central questions. And I point out to the minister and to the committee that just about every member who has gotten up in committee today has addressed himself in one form or another to the Nordsee proposal. It is a matter of concern to the committee because it is symbolic of a fairly large set of possibilities, at least potentially. That is to say that the day of foreign investment in the fishery is upon us - there is no question of that - the day of foreign investment in the fisheries is upon us. If we are going to have large scale development in the fisheries we are going to have to look to foreign investment. I am convinced of that.

AN HON MEMBER: Not foreign control.

MR. SIMMONS: But not foreign control. And so our concern over here is not where the dollars are coming from. Our concern is how can we as a Province have effective control of the processing plant operations. Our concern is will the Nordsee proposal, just to use it as an example because it is only one of many we are going to be dealing with in the few years, I predict, our concern is will the Nordsee proposal as presently constituted even with the conditions, will it mean that the effective control over fish processing will be in the hands of people outside the Province? Will, as we say so often in this House, will the decisions be made in the board rooms of Chicago instead of the Cabinet room in Newfoundland or the House of Assembly in Newfoundland, as the case may be? That is the issue and that is the issue that most of us are not as well informed on as we would like to be, Mr. Chairman. I am the first to admit that, I have tried to read everything I can on the Nordsee proposal and I

MR. SIMMONS: particularly looked to this debate in committee to get some more information on it. The member for Bay of Islands (Mr. Woodrow) is right when he says let us do away with one-upmanship in this particular area and let us get down to brass tacks and see what this Nordsee proposal is all about. Because I repeat, Mr. Chairman, symbolically it is the forerunner of things to come, It has got to be, Mr. Chairman, There is just not enough money in this Province, if we took it all out of everything else and put it into the fisheries, there just is not enough here, The total dollars here, if we did nothing else as a government of the Province, if we did nothing else as a people, there just are not enough dollars in this Province to develop the fishery to the degree that it deserves to be developed and it must be developed. There just are not enough dollars here so we have got to look outside.

Mr. Chairman, the Minister of Justice asked what I meant by control. And I will be the first to say to him that I am not fully sure, because I told the committee just now a few minutes ago that this issue is one that we need a lot more information about. I know that we will not have any effective control with the present proposal. My colleague, the Leader of the Opposition, covered this matter very well today. The five per cent equity with Nordsee having forty-eight, Ocean Harvesters forty-seven, of which ten or twelve or fifteen is effectively controlled from the United States in any event, that does not constitute effective control. I am not in a position, I am not any expert on the fisheries to begin with - or not only on the fisheries but on matters effecting this kind of control, financial matters effecting this kind of control - but I am asking, Mr. Chairman, and I think most of us over here are asking the minister to let us have some information on this on the government's position, what led to the government's position so we can make up our minds on it. Our minds are made up only to this degree, Mr. Chairman; one, we do not care where the money comes from; two, we do care that the investment will be to Newfoundland's advantage. Having said that, Mr. Chairman, it is difficult to decide what is to Newfoundland's advantage

MR. R. SIMMONS: unless we had some more information on the subject, and I would invite the minister to take a little time to talk about the Nordsee proposal in terms that we can all understand so we can have some direction on the matter. I wanted to mention aquaculture in Bay d' Espoir - I have run out of time. The minister has indicated to the Committee that it is one of the areas where he is looking at for a fish farm operation. I suggest to him it is one of the very ideal areas in the Province and perhaps he will give the Committee some information as well on the fish farm proposal for Bay d' Espoir.

MR. CHAIRMAN: (Mr. Young) Hon. minister.

MR. W. CARTER: I want to take the first ten minutes, maybe, answering some questions that were put to me by members opposite and then I will be very happy to explain our position with respect to the new proposed 5 per cent equity in the Nordsee - Ocean Harvester merger. My good friend, the member for Trinity - Bay de Verde (Mr. F. Rowe), mentioned about the estimates, the percentage of increase. We say it has been a 10.5 per cent increase in the gross expenditures and the figures of course speak for themselves. You do not need to be a mathematician to figure out this year's estimates of \$25,195,700 as opposed to last year's revised estimates of \$22,810,000 leaves a difference that would add up to 10.5 per cent increase over last year's spending. In fact, Mr. Chairman, I am not too uptight about the fact that our estimates are only 10.5 per cent over last year because maybe that is a good sign and maybe that is what we have to work for, certainly in my opinion we have, that as the private sector prospers, as it gets stronger then there will be less need for government involvement. And I hope that next year maybe we will not need a 10.5 per cent increase. I hope that maybe five years down the road we will need even less because you do not spend money in fisheries, Mr. Chairman, purely for the sake of spending

MR. W. CARTER: money. It is how you spend it I think is more important.

The member for LaPoile (Mr. Neary) mentioned the meal plant in Blow Me Down. That is a plant that I understand fell by the wayside. I think action was taken this morning to put that plant in receivership, but as to what plans we have for its future operation that is something I cannot say at this time. I know that it is because of a lack of raw material that the plant has been forced to close down -

MR. S. NEARY: What will happen now? Will the Newfoundland Development Corporation get their money back or dispose of the plant or what?

MR. W. CARTER: I am not sure. I cannot answer that. Certainly I will look into it and anything we can do to get that plant back in operation -

MR. S. NEARY: It is just one in a series of failures.

MR. W. CARTER: We cannot make raw materials. We cannot provide offal to keep the plant operating. Certainly what can be done will be done to ensure that the plant continues in operation. The matter of the Catalina - Fisheries Products mortgage has been explained to the hon. member. He talked about the government having gone back to the Foreign Investment Review Agency four or five times. That is not true. We have gone to them once to make -

MR. S. NEARY: Four times.

MR. W. CARTER: We have at their request responded to their request that we give them our views on the proposed merger. That we have done once -

MR. S. NEARY: At Nordsee's request, four times (inaudible).

MR. DOODY: Why do you not wait till the man has finished?

MR. W. CARTER: He talked about my promises at meetings. I do not recall having made any promises. I know that we heard a lot of complaints, I would say at least 50 per cent of which were of a federal nature, in which case we referred it to the appropriate department. But I can say this now, that I have not got the count but I am sure that most of the things that we -



MR. S. CARTER: most of the legitimate complaints that we heard took action to correct.

MR. NEARY: Give us a few examples.

MR. W. CARTER: Mr. Chairman, I can only say most of the complaints that were received were processed.

MR. S. NEARY: You mean the hon. minister cannot think of two or three examples off the top of the top of his head?

MR. W. CARTER: I can talk about the matter of the building of boats, for example. I can talk about the gear subsidy programme we have, about changing the regulations with respect to subsidies on small boats.

MR. DOODY: How about a few herring licenses for my people out in the bay?

MR. W. CARTER: But prior to those meetings we were paying bounties on boats only I think down to twenty feet. We dropped that at the request of the fishermen in Labrador. We changed our whole subsidy structure on boats. As I said, we did then impose a brand new policy with respect to assistance to purchase gear.

MR. W. CARTER: the matter of boats being built in Nova Scotia, I am not sure these boats are any cheaper. I am sure they are not as good as our boats, that is one thing I am confident of. The Cape Island boat, the one that is very popular in this Province, does not have the life expectancy of a Newfoundland boat and they are cheaper for that reason. The matter of licences on new boats - he talked about the new boats we are building and where are we going to get the licences to operate them - well, in this Province we have about seven hundred longliners. I do not know what the percentage is but I know that a substantial number of these are beyond twelve years of age so it is a matter of replacing existing boats on which there is a dragger's license. A boat, after it gets eight years of age, of course would qualify for a subsidy and the licence would be transferred so there is no shortage of licences for these new boats.

My friend from the Port au Port area talked about the Blue Beach and the need for a road. Well, we are spending \$35,000 this year. Blue Beach, for the information of the committee, is not a permanent settlement; it is a place where people go to fish during the Summer and live in rather substandard accomodation only during the fishing season. Well certainly you would not expect government to build a super-highway, a seven or eight or ten mile stretch of road that is only used for that purpose.

My friend from the LaScie area talked about the LaScie plant. Well, the National Sea will be spending this year a sizeable amount of money providing unloading facilities, facilities that will be able to accomodate offshore ships with a view to eventually making that plant as near a year-round plant as possible. It certainly is not their intention to operate it on a seasonal basis only. The commitment was given at the meeting, which my friend attended, that anything that swims will be harvested by that company and marketed. He talked about the Lake group in Englee. They have acquired that plant. He said, what are we going to do to help? Well I am not sure the Lakes need any help from government to get that plant going. I see very little need for us to encourage the spending of public money, taxpayers' money,

MR. W. CARTER: when in fact the companies themselves are more than likely in a position to do what has got to be done. I do know that they are taking a serious look at it and have some, I think, very good plans for the area.

He talked about Triton, about the Dutch company. Well I am not aware of that proposal coming to very much. I can say, without revealing the details, that there are some pretty elaborate plans on the go with respect to Triton and I am hoping that with the right kind of co-operation from Ottawa that there will be an announcement shortly on what I think will be an extremely interesting and exciting development for that area.

He talked about the Loan Board, the backlog of applications. Well that is a good sign. As I said to the House yesterday, or at least Friday, the activity of the Loan Board has increased quite substantially in the past twelve months and if we need more people to help to expedite the processing of those claims, those applications, then of course we will get it.

Smith's Harbour: he talked about the need for facilities. One of the things of course he did not elaborate on was the fact that there is no wharf, I do not think, at least only a partial wharf.

MR. RIDEOUT: There is no wharf there.

MR. W. CARTER: No wharf? You mentioned about there being a federal job -

MR. RIDEOUT: They started to build up one to put a holding unit there but the company went broke.

MR. W. CARTER: Well, that is something we will certainly take a look at and if the facilities are there and the landings then we will be very happy to do what has got to be done.

The opposite side talked about the Hamilton Banks. Well I am on record in this House, and I cabled a telegram last that I sent to the minister in Ottawa suggesting to him that he take a second look at the quotas on the Hamilton Banks and that if he saw fit to impose a total ban on fishing on the Hamilton Banks then we would support him. I meant that and I still mean that.

SOME HON. MEMBERS: Hear, hear!

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Tape No. 1128 (Night)

AM-3

MR. W. CARTER: But the fact is that fishing, whether we like it or not, is taking place on the Hamilton Banks. Right at this point in time there are probably two or three or four dozen ships with foreign registry on the Hamilton Banks.

MR. DOODY: Under licence by the Liberal government in Ottawa.

MR. W. CARTER: And what I am saying is that if the Hamilton Banks is going to be fished, and we have no control over that, then I say that we should be the benefactors of it; we should be given a chance to fish up there.

Mr. W. Carter: The matter of the Nordsee thing: I think I have gone into some detail on that tonight and I explained government's position. We have given it our support subject to seven conditions, as referred to by my friend from the Bay d'Espoir area. But it must be understood, Mr. Chairman, that we do not have the right to approve or reject that application. That application is made, and rightly so, to the federal government. They, as a courtesy, requested our views on it. They need not have done that. But the minister, Mr. Horner, requested that the government submit to his department our views on the proposed merger, and that we did. We gave it our support, as I said, subject to the seven conditions that have been spelled out on several occasions.

My position and the government's position on the 5 per cent equity is not changed. That was not a new idea on my part. It is something that has been the subject of a lot of consideration in the past months, the matter of getting an equity in the company to give the government that measure of control over it. And to say that the company does not-or at least will be operating in the Province without control is not accurate, indeed far from it. The fact remains that it will be a tightly controlled company, if and when it is approved, by virtue of the conditions that I spelled out earlier this evening, the fact that the ships must be licenced, the fact that the plant itself must be licenced, the fact that there are certain controls imposed by the National Revenue, and the fact that the Foreign Investment Review Agency will have an ongoing interest in what happens and will continue to monitor the operation.

MR. NEARY: Will that apply to all plants?

MR. W. CARTER: I am not sure, Mr. Chairman, that the fishermen or the fish plant worker in Bareneed or Coley's Point or Grates Cove really cares who signs that cheque for them on Friday afternoon as long as it does not bounce, and as long as it is good hard cash -

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: - for a good week's labour. I am not sure it really matters.

MR. DOODY: You are damn right.

MR. W. CARTER: And I am not sure we should be too uptight in light of the fact that Canadians are not investing in their industry in this part of Canada.

MR. DOODY: The merchant party is concerned.

MR. W. CARTER: And I am not -

SOME HON. MEMBERS: Oh, oh!

MR. DOODY: The Water Street merchants are concerned.

MR. FLIGHT: You have the same attitude as Nordsee.

MR. W. CARTER: You talk about the investment of Fishery Products. I have heard the hon. member laud government for taking control of Fishery Products.

MR. NEARY: Now you are going to allow -

MR. W. CARTER: No, no!

MR. DOODY: No, no he is not.

MR. W. CARTER: Today he refers to it as being an -

MR. DOODY: John Doyle gets 51 per cent.

MR. NEARY: Nationalized.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: But now you are going to allow it to slip out of your hands.

MR. W. CARTER: Today he mentioned the fact that we have control of Fishery Products. We are in a minority position in Fishery Products of 40 per cent, I think it is, of the shares, which is a minority position. But that has given us certain controls over the company and I think it has worked very well. And I think Fisheries Products -

MR. NEARY: Are they going to finance it now and get -

MR. W. CARTER: I think the Fishery Products deal is a pretty good indication of where government and the private sector can work together, and I believe that with the controls that are already in

Mr. W. Carter: existence if you strike for the Nordsee.

MR. NEARY: But then the minister does not have to take his instructions from Denis Monroe.

MR. W. CARTER: With respect to the proposed 5 per cent equity that the Nordsee-Ocean Harvester Company will certainly not slip from the control of this Province or this government.

MR. DOODY: No way!

MR. W. CARTER: Mr. Chairman, the fact remains that I believe the fishing industry is the one big bright spot in our economy. And I believe it is going to take a lot of help, a lot of encouragement, a lot of leadership, and a lot of understanding. In the past two years I think the attitudes to our fishermen have changed. I think that now it is not an occupation of last resort, it is an occupation now that has become lucrative; you can make a good living in the fishery and the fishermen are getting their confidence. I think the fact that we are getting young fishermen, educated fishermen, young fellows with degrees into the industry speaks for itself. And I believe there must be a change of attitude on the part of the establishment, the St. John's establishment. It is too bad that some of our so-called opinion makers in St. John's do not travel more in the outports.

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: I went to Port au Port last week, which my hon. friend mentioned tonight. I visited Fox Island River and that area, and there is a different attitude and a different feeling altogether in the outport as opposed to certain areas in this City where the know-it-alls sit back in their Ivory Tower offices and pontificate

Mr. W. Carter: about days past and have very little hope for the future.

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: And, Mr. Chairman, there is nothing more damaging, there is nothing more devastating, Mr. Chairman, more demoralizing than to hear that sort of thing go on.

MR. DOODY: Well, that is the merchant party for you.

MR. W. CARTER: Many of these people, Mr. Chairman, are the sons of merchants who are still reaping the rewards of their exploitation of my father and his father, and the father of a lot of our members here tonight, of our fishermen in days gone by. And I must say sometimes I get a little sick and tired of hearing and reading some of the things that I do about the doom and gloom. Visit Fogo Island, count the number of welfare families on Fogo Island tonight! One family. A community that was condemned to be resettled -

AN HON. MEMBER: That is right.

MR. W. CARTER: - ten years ago.

MR. DOODY: It was on the list.

MR. W. CARTER: Condemned to die -

MR. MORGAN: By the previous administration!

MR. W. CARTER: - but it came back.

MR. DOODY: That is for sure.

MR. W. CARTER: Visit Change Islands, count the welfare families on Change Island, Port au Choix, Greenspond Island.

MR. WOODROW: Harbour Breton.

MR. W. CARTER: Isle aux Morts area, Burnt Island, Rose Blanche.

MR. NEARY: Margaree.

MR. W. CARTER: Harbour Breton.

MR. MORGAN: Tirivino areas.

MR. W. CARTER: Margaree. Visit these places.

MR. DOODY: Panama!

MR. W. CARTER: I suggest that some of these so-called opinion makers should go beyond the Overpass for a few weeks and just see what is happening out there.

SOME HON. MEMBERS: Hear, hear!



MR. W. CARTER: And maybe then we will have a much better understanding and be able to write in a more objective way than they are doing now.

SOME HON. MEMBERS: Right.

MR. W. CARTER: So, Mr. Chairman -

MR. NEARY: Do not forget Port aux Basques and T. J. Hardy.

MR. W. CARTER: T. J. Hardy is doing an excellent job. And I might say that we are happy now that T. J. Hardy has agreed to put a plant in Fox Island River.

MR. NEARY: Has he got three boats now?

MR. W. CARTER: Yes, he got three boats now. And three of the sculpin class boats were sold to T. J. Hardy, and I am sure he will do a good job with them.

AN HON. MEMBER: How does that work?

MR. W. CARTER: Pardon?

AN HON. MEMBER: How does that work?

MR. W. CARTER: Under lease with an option to purchase.

AN HON. MEMBER: That is right.

MR. W. CARTER: But, Mr. Chairman, the fact of the matter is that I believe that we are on the verge of some very exciting and challenging days in the Province. And I think, as I said, if we all work together, and get off this negative kick that we are inclined to get on sometimes -

MR. DOODY: I know. I know.

MR. W. CARTER: - I think we can make it.

MR. DOODY: We give up hope.

MR. W. CARTER: But certainly we will not do it by moaning and groaning and condemning everything that is happening -

AN HON. MEMBER: That is right.

MR. W. CARTER: - and not giving any credit to anybody for anything.

You talk about the Nordsee thing, about the fishery resource. The projections are, by the way, that within five years - I am

Mr. W. Carter: sorry, seven years, our fish stocks will double. And that means that in 1978 the TAC is 135,000 tons, that it will increase by about 25,000 tons a year for the next seven years approximately. And I am saying that we must now gear up, we must now provide the ships to keep abreast of what is happening with respect to the increase in the total allowable catch. We are not suggesting that we expand the fleet, I repeat; we are only suggesting that we be allowed to replace the existing fleet. And I believe it is incumbent on Ottawa to encourage the private sector and to work with us to insure that when the stocks are rebuilt, as indeed they will be, then our people will be given a chance to harvest the resource and not have to defer to foreign countries as will be the case if we are not able to demonstrate our ability to catch the fish that is out there.

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: I think, Mr. Chairman, my time is pretty well expired.

MR. DOODY: No. By leave.

SOME HON. MEMBERS: By leave. By leave.

MR. W. CARTER: I should point out that there will be ample opportunity to discuss the estimates. We will be introducing legislation within a few weeks establishing a Crown corporation in the Province, a Crown corporation that will have as one of its main functions, for example, the matter of having equity in companies that will be establishing in the Province, such as the Nordsee company. We are now in the process of preparing for submission to Ottawa a proposal having to do with the establishment of cold storage and freezing capability around the Island, hopefully under a DREE arrangement. We already have in Ottawa, submitted to Ottawa, a comprehensive plan to enlarge the number of our marine service centres and indeed to build three or four more such centres. We are now in the process of considering -

AN HON. MEMBER: With Ottawa's share.

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Tape 1130 (Night)

PK - 4

MR. W. CARTER: I know. And we are on a cost sharing arrangement

MR. DOODY: Look! Up she comes! Look!

MR. W. CARTER: We are now, Cabinet is now discussing, Mr. Chairman, the central landing port, the central distribution port study that is being conducted and there

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Tape 1131 (Night)

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MR. W. CARTER: should be something more to say on that some time in the very near future. So I think my time is expired, Mr. Chairman.

MR. DOODY: You are doing a great job.

SOME HON. MEMBERS: Hear, hear!

On motion 1401 - 01 through

1402 - 03, carried.

On motion Head XIV without amendment,

carried.

MR. A. HICKMAN: Mr. Chairman, I move that the Committee rise, report progress and ask leave to sit again.

On motion that the Committee rise,

report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. SPEAKER: The hon. Chairman.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply have considered the matters to them referred and directed me to report having passed Estimates of Expenditures under Heading XIV, Fisheries all items without amendment, and report having made further progress and ask leave to sit again.

MR. SPEAKER: The Chairman of the Committee reports they have considered the matters to them referred and passed all items of expenditure under Heading XIV, Fisheries without amendment and made further progress and ask leave to sit again.

On motion report received and adopted and the Committee ordered to sit again on tomorrow.

MR. HICKMAN: I move that the remaining Orders of the Day do stand deferred and that this House on its rising do adjourn until tomorrow, Tuesday, at two of the clock and that this House do now adjourn.

MR. SPEAKER: It has been moved that this House adjourn until tomorrow, Tuesday, at 2:00 P.M. Those in favour 'Aye'. Contrary 'Nay'. Carried.

This House stands adjourned until tomorrow, Tuesday, at 2:00 P.M.

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
MONDAY, APRIL 17, 1978

April 17, 1978

Tape 1048

DW - 1

The House met at 2:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER:

Order, please!

The hon. member for the Strait of Belle Isle.

MR. E. ROBERTS:

Before we get into the routine orders of the day, I wonder if I might ask the leave of the House to move a motion of congratulations to the new Bishop Elect of the Anglican Diocese of Western Newfoundland, the Reverend Stewart Payne, who is the Rector of the parish of St. Mary's which of course is located in St. Anthony in my constituency. The Premier may well have such a motion ready to hand. If so, I will gladly give way to him. But I do think, Sir, the House should recognize the occasion of the election of Bishop Elect Payne, I suppose to use the correct term. But I will give way to the Premier. I would like to say a word afterwards because of course I know the Bishop Elect extremely well.

MR. SPEAKER:

The hon. Premier.

PREMIER MOORES:

First I would like to apologize for being late.

Mr. Speaker, I know I speak for all members of this hon. House of Assembly in extending our congratulations and best wishes to the Reverend Stewart Sidney Payne on his election to the high position of Bishop of the Anglican Diocese of Western Newfoundland.

Bishop Elect Payne was born in Fogo on June 6, 1932 and received his early education there. He received his Bachelor of Arts degree from Memorial and his Bachelor of Divinity degree at Queen's College. He was made a deacon on June 23, 1957 and was priested on June 8, 1958. Bishop Elect Payne served with the mission in Happy Valley-Coose Bay from July 15, 1957 until July 30, 1965. He was appointed Rector of the Parish of Bay Roberts on August 30, 1965 and served in this position until August 30, 1970. For the past eight years he has served as the Rector of the Anglican Parish at St. Anthony.

Mr. Speaker, the main function of any church, no matter what its particular creed or doctrine, is to promote the

PREMIER MOORES: moral and Christian principles of its subjects. The Anglican Church has ever fostered and encouraged such Christian principles and has been a direct influence for good in the Newfoundland community in which it forms such an integral part. The work of the Anglican Church has been as such as to compel the recognition and command the respect of all who have the well-being of the Province at heart.

I know that all members join in extending to Bishop Elect Payne our best wishes on the attainment of this high and challenging position. As most hon. members are aware, Bishop Elect Payne succeeds Bishop Legge, and once again on behalf of all members who wish him every success and happiness during his years of retirement. Bishop Legge is a man of unselfish devotion and deep sincerity and he can retire with the knowledge and in the belief that he has served this Province well during his long and distinguished career. It gives me great pleasure, Sir, to present this motion to the House. Once again a Newfoundlander, and this time in his own Province, receiving one of the highest awards of his church and I know that all hon. members join me in wishing him well in that appointment.

SOME HON. MEMBERS: Hear, Hear!

MR. SPEAKER: The hon. member for the Strait of Belle Isle.

MR. E. ROBERTS: Well, Mr. Speaker, I would like to associate myself, and my hon. friend the Leader of the Opposition concurs to speak on behalf of this side in supporting the resolution that the Premier has moved. I do not need to add to what the Premier has said about the Reverend Mr. Payne except to say that all of who have had the pleasure and the privilege of knowing him over the years, and he has been the Rector of the Anglican Parish in the largest town in my district these last seven or eight years and I have come to know him extremely well, all of us feel that Reverend Mr. Payne is a man of genuine humility and very deep scholarship and very deep learning, I think he has proven himself, and I know this

MR. E. ROBERTS: because my constituents who are his parishioners are very high in his praise, the man has proven to be a superb Pastor and I have no doubt, Sir, that he will add lustre to the traditions of the Anglican Episcopate in this Province in particular the traditions so well begun by his predecessor, the present Bishop of Western Newfoundland, the right Reverend Gordon Legge. On a personal note, Sir, I would like to say that I think any member of the House who knows the Reverend Mr. Payne will feel that the elevation to the Bishopric has not been sought by him but the nonetheless it was fully merited in every sense of the word. I believe he will add greatly and I believe he will serve with great distinction in his new post.

SOME HON. MEMBERS: Hear, Hear!

MR. SPEAKER: The hon. Leader of the Opposition.

MR. W.N. ROWE: The hon. the Premier and my hon. friend and colleague, the member for the Strait of Belle Isle, have both put into words adequately and admirably our admiration and respect for Bishop Elect Payne and I do not need to add anything here. It is appropriate that my hon. friend spoke on behalf of this side knowing Bishop Elect Payne so well as he does the Bishop Elect having spent so much time in the district represented so well by hon. friend. So, Sir, we should merely associate ourselves with the words uttered by the Premier and my hon. colleague, on both sides of the House.

So I would like to allude to another matter, perhaps a little lighter in tone than the heavy matter we just spoke about. But I think it is



Mr. W. Rowe: appropriate from this side of the House should come a word of best wishes to one of our hon. colleagues, the member for Kilbride district, who I understand today will be plodding, jogging along and participating in the famous - I do not know if he is going to be running or not - at least he will be jogging, and pushing his body forward for twenty-six-point-some-odd miles. I think, Sir, that we should go on record here, and it is appropriate that I do it because I think it is something shared by everybody in the House, so on record as mentioning our admiration for his ambition, if not political then otherwise. An admirable thing to undertake, Sir. He has been training for it now for a number of years, he has got himself slimmed down to something resembling a blade of grass. He is keen and eager to go, and I am sure that everybody in this House wishes him all of the best. And we hope sincerely that he finishes this twenty-six-and-some-odd miles of arduous activity.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, we would be certainly not doing our duty if we did not support that particular best wish. We certainly hope that the hon. member of Kilbride (Mr. Wells) not just starts this particular race but does in fact finish it, rather than the other way around.

We would hope, Sir, today as he is churning along Beacon Hill, or wherever it is that one churns along in the Boston Marathon, he realizes the difficulty of a quorum and the votes on ministerial salaries, and all these other things that may come up in this House. But certainly, Sir, we do wish him well and, more importantly, a safe return in one piece.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTER

MR. SPEAKER: The hon. Minister of Labour.

MR. ROUSSEAU: Mr. Speaker, just a few words on the labour situation in Labrador West out of appreciation of hon. members across the House who have not asked any question as a result of the

Mr. Rousseau: blackout, nor the press. As you know, I asked both sides to return to the table last week, and asked not to make any statements, and to stay at the table until such time as an agreement could be reached or could not be reached. I am pleased today to say that one of the major hurdles, the question of occupational health and safety, which is one of the three major items, that has been resolved to the satisfaction of both parties. I do not doubt that neither side is jumping for joy. But I think it is a settlement in that area which is one of the most important areas in the Labrador part of the Province which was very important to them. So I am pleased to say that that has been resolved.

This afternoon in about twenty minutes they will be sitting down to talk about another sticky problem, the problem of contracting out, and of course the monetary package. I have been told by both sides, I was talking to Mr. Levte this morning, the President of the Union, and to Mr. Mulroney, the President of the Iron Company of Canada, and both sides agreed that the negotiations thus far which had gone on since I have asked them back to the table, Mr. Speaker, all weekend, and this morning, and they broke for a few hours but they will be back, like I say, in about twenty minutes, that the atmosphere has been very courteous, and very good, and both sides are very pleased with the atmosphere. That does not mean that this afternoon something might happen, but at this point in time things are going well in respect to that particular clause. They have already opened up on the contracting out, and they will be talking about it further this afternoon.

So I just thought, because of the tolerance of the hon. members and the press who have not asked me because of the news blackout that I would report the progress made this far to the House.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Terra Nova.

MR. LUSH: Mr. Speaker, I would just like to compliment the minister for his actions in this situation to date and as he has said, we on this side refrained from asking questions because of the circumstances of the particular strike situation. But we are certainly delighted to know that certainly one of the major obstacles to getting this thing straightened out with respect to occupational health and safety has at least been temporarily resolved, and hopefully that the whole situation will be ironed out pretty quickly for the benefit of all concerned.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Health.

MR. H. COLLINS: Mr. Speaker, I am pleased to be able to confirm today earlier reports that construction of a new Red Cross Headquarters Building will soon commence. The new facility, to be located on a site in close proximity to the Health Sciences Centre, will provide 30,000 square feet of space. Approximately two-thirds of this space will be devoted to the blood transfusion service. The other one-third of the space will be devoted to the divisional headquarters function and will be a centre for several of the excellent voluntary activities provided by the Red Cross in this Province.

I have the highest praise for the Newfoundland  
Division

MR. COLLINS: of the Canadian Red Cross Society and particularly its executive which has worked closely with officials in my department in developing the building programme. From the health care point of view especially, the additional space will ensure the continuous high quality of blood transfusion services for many years to come. It is important to recognize that the provision of blood and blood products through the Red Cross organization in Canada has proven to be highly successful. In this Province particularly we can be especially pleased with the high level of co-operation of the Red Cross Society. We are indebted to the many thousands of donors who regularly donate their blood and in so doing contribute greatly to the excellence of our health care system. And I might say, Mr. Speaker, that only last week, Thursday evening, I believe, I attended a meeting at the Canon Stirling Auditorium where 300-plus people received scrolls for donations of blood some thirty times, thirty-five, fifty, one particular gentleman who had made 100 donations. So indeed, Sir, this is a great pleasure for me to be able to announce.

I just have the one copy, Mr. Speaker, I will have additional copies in a few minutes.

MR. SPEAKER: Hon. member for LaPoile.

MR. NEARY: Mr. Speaker, we on this side of the House would like to congratulate the Newfoundland Division of the Canadian Red Cross for taking the initiative in developing this new building that they are going to build. Actually it is not next to the Health Sciences Complex, it is up just across from the Avalon Mall, up in that area in that sub-division up there. The Red Cross have purchased a piece of land -

AN HON. MEMBER: The Baird sub-division.

MR. NEARY: - the Baird sub-division - the Red Cross have purchased a piece of land. Then they came to the government to seek assistance and I am glad to hear that the government has co-operated with the Newfoundland Branch of the Canadian Red Cross. It was they who took the initiative and I want to congratulate Mr. Les Thomsand his Board of Directors and his Executive for having the foresight to realize that now that the

MR. NEARY: General Hospital is going to move over to the Health Sciences Complex it changes the whole picture of things in St. John's completely, that the blood bank was near the General Hospital and now they have to be moved because the hospital is moving in here in the Health Sciences Complex next month, at least we think it is moving in, we are not sure from the information that the minister has given the House, whether they are going to start May 1st to move patients from the General Hospital into the Health Sciences Complex.

The only questions that I have to put to the minister are these, Sir: The minister did not make it clear if public tenders have been called, or the minister did not tell us how much, at least I did not hear the minister say how much of a contribution the government were going to make, whether or not public tenders would be called and whether or not the contract would be awarded to the lowest bidder. We do not want to see a similar situation as that which happened in the case of the YWCA. So I would like for the minister to clear up these two or three points. Will public tenders be called? If the government is going to put money into this new building, will the government insist that the government's public tendering procedure be followed? How much money is the government putting into it? Will the contract be awarded to the lowest bidder?

MR. SPEAKER: The hon. Minister of Health.

MR. COLLINS: Mr. Speaker, tenders will certainly be called and the tenders will be called by the Red Cross Society. We will be supporting the Red Cross Society in terms of the Blood Transfusion Service portion of the building. To quote figures at this time I do not think would be in the best interest of anybody while tenders are being called. We should wait until the tenders have been received before we say what the government is putting in.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: Hon. Minister of Tourism.

MR. MORGAN: Mr. Speaker, I wish to table in the House the report from the Provincial Parks Division, Department of Tourism in relation to actual parks operations.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. SPEAKER: Hon. Minister of Health.

MR. MORGAN: Mr. Speaker, I have the answer to Question No. 25, as usual in the name of the hon. member for LaPoile. He asks: Have the Canadian Red Cross requested an increase in their grant or other forms of assistance to successfully maintain their programmes especially the Blood Bank? If the answer is in the affirmative provide details of what action if any has been taken on such request?

Well the answer, Mr. Speaker, is that the Canadian Red Cross Blood Transfusion and Donor Recruitment Services are funded

MR. H. COLLINS: on the basis of a budget which is prepared in advance of each fiscal year and is approved by a federal/provincial committee. The total budget is allocated among the provinces on the basis of direct provincial operating costs plus a pro rata portion of national headquarters costs. For 1978 the amount requested for payment by Newfoundland is \$844,333 representing an increase of \$61,451 over the 1977 allocation. This has been accepted as presented and has been paid by way of equal monthly instalments. I do not know why the hon. member keeps asking such questions, because it gives us a chance to be able to show that we do appreciate what the Red Cross are doing; and we looked at their budget, their budget was realistic and we have agreed to make our contribution to them.

ORAL QUESTIONS

MR. SPEAKER: The hon. the Leader of the Opposition.

MR. W. N. ROWE: Mr. Speaker, I have a question for the hon. the Minister of Rehabilitation and Recreation.

Sir, I was out of the Province for a couple of days attending a function fairly widely reported, the Liberal Leadership Convention in Quebec.

MR. NEARY: Hear, hear!

MR. W. N. ROWE: I suppose, Sir, if it were not perceived as a partisan thing it might not be a bad idea for this House to move a motion of best wishes to the man who was elected, Claude Ryan.

SOME HON. MEMBERS: Hear, hear!

MR. W. N. ROWE: Probably it would be perceived as too partisan. I will just draw the House's attention to the matter for the records, Sir, in the hope that as far as the separatism issue is concerned there is now light at the end of the tunnel there in Quebec as far as Quebec

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MR. W. N. ROWE: politics are concerned.

MR. NEARY: And the Upper Churchill too, I believe.

MR. W. N. ROWE: And the Upper Churchill and Lower Churchill and so on.

SOME HON. MEMBERS: Hear, hear!

MR. W. N. ROWE: While I was absent, Sir, attending that momentous function, I did not read anything in the papers concerning the possibility of a public inquiry concerning Exon House. Now we have been asking the hon. minister for a public inquiry for the last number of weeks. I would like to ask the minister again now, Sir, in view of the report or the statement made by the Newfoundland Medical Association, which makes some recommendations and shows that some things are being done and certain things should be done and there is a lack of money which is the root of the evil, they say, and so on, Sir, in view of the fact that there are many other bodies in this Province who would like to make submissions to a responsible authority, not only to find out what has happened in the past, particularly with Mr. Syrett, but also to make recommendations as to the future of such institutions, would the minister now tell us, Mr. Speaker, whether he will consent to have a public inquiry into the goings on at Exon House in the past and perhaps incorporate in the terms of reference some recommendations as to the future of that institution or whatever institution may replace it? Could we have a public inquiry, Mr. Speaker?

MR. NEARY: And are we going to get the information the minister promised the House?

MR. SPEAKER: The hon. the Minister of Rehabilitation and Recreation.



MR. HICKEY: Mr. Speaker, I think that question was answered last week. I have to say to my hon. friend that I gave instructions to gather all documents in keeping with the Premier's commitment that all pertinent information and documents would be tabled in the House, which I was quite happy about. I gave instructions that those documents be gathered and presented, a check be made with the Department of Justice to make sure that there was no breach of private information or no tabling of private information which would be improper, and, like the Leader of the Opposition, I was away at a federal/provincial conference the last three or four days and I have not gotten that report from my staff, but I will get it this afternoon and I will take the question he raised under advisement. I am not aware of any statement by the Medical Association. I will get on to that and find out what that is all about as well.

MR. W. N. ROWE: A supplementary, Sir.

MR. SPEAKER: A supplementary, the hon. the Leader of the Opposition.

MR. W. N. ROWE: Sir, the minister's statement is simply not good enough. Everywhere you go in the Province, everywhere you go in St. John's, one hears all kinds of speculation and rumours and something else put forward as a possibility, so the only way to quell this speculation and the allegations that perhaps something might be covered up and to set the public mind at rest and at ease is to have a public inquiry. Surely the minister recognises that. So I ask the minister, for example, does he believe, does he honestly believe as a

MR. W.N. ROWE: partisan political figure that the process he has described, whereby he can exercise discretion on what is made public, where the public servants are in a position to possibly, if not mislead, Sir, I am not accusing any public servant of anything, but to at least decide and use their own discretion as to what reaches the minister's ears or the minister's eyes, does he really think that that kind of a quasi investigation is going to satisfy the public unease and unrest concerning such a serious matter as this, Mr. Speaker?

MR. SPEAKER: The hon. Minister of Recreation and Rehabilitation.

MR. HICKEY: Mr. Speaker, I can only say that - you know, I do not agree with the Leader of the Opposition when he says that I can or that I will determine what is tabled and what is not. I realize that that is a minister's prerogative and I agree with him that that is a minister's prerogative. However, Mr. Speaker, my hon. friend I think inadvertently forgot that the hon. the Premier last week, very definitively told this House that all pertinent information would be sought, all documents would be tabled, nothing would be held back to get to the bottom of this -

MR. NEARY: What drivel!

MR. HICKEY: Mr. Speaker, I would like to answer the question is silence so that what I say is understood very clearly - that nothing would be held back, that all pertinent information pertaining to this case, would be revealed and would be tabled in this hon. House.

Mr. Speaker, in making that statement, the hon. the Premier also alluded to the lack of necessity for a public enquiry inasmuch as by tabling all of those documents the truth would come out and that that is all a public enquiry would achieve.

Now I can say, as I am sure the hon. Premier will say, or would say, if there was some doubt that all of the facts would not be forthcoming from the presentation of those documents, that we would

MR. HICKEY: indeed be glad to go with a public enquiry. But all we are saying is that it seems unnecessary at this point to agree to a public enquiry if in fact the tabling of the pertinent information and documents will indeed achieve the same goal.

MR. NEARY: What year are you going to table them?

MR. HICKEY: Mr. Speaker, the hon. gentleman, you know, is being a bit unreasonable when he says what year I am going to table them. I have been out of the Province for three or four days. I have not got the documents to table. I have assured the House that the minute they come into my possession, the minute that the Department of Justice determines that everything is okay, they will be tabled.

Now the other point I would like to cover, Mr. Speaker, so that there again is clarification on what is meant by the involvement of the Department of Justice, I will not use my prerogative as a minister to say what will be tabled. I have indeed told the House, and I will live up to this, as the hon. the Premier has told the House, that all documents and pertinent information will be tabled. In fulfilling that obligation, Mr. Speaker, we have a responsibility, this government has a responsibility, I have a responsibility as minister, to certain individuals, whatever individuals are involved, people who applied for that position, for example, some people applied for those positions with the understanding that they applied in confidence. For example, I do not know that the person who came second or third on that list of recommendations wishes his name to be laid on the table of the House, used by the news media. I do not understand at all that those individuals are prepared. For example, would they want their present employers to know that they applied for a job in this particular case? And those are the types of things that must be preserved as private.

MR. HICKEY: Now over and above that, that is all that is going to be preserved, Mr. Speaker, I want to make it abundantly clear. There is no suggestion of holding back anything, one thread of evidence that can in fact be presented. I assure my hon. friends it will be presented and it will be presented the moment I get it.

MR. W. ROWE: A supplementary, Sir.

MR. SPEAKER: A supplementary, the hon. Leader of the Opposition.

MR. W. ROWE: Sir, what bothers me, Mr. Speaker, is that the minister does not seem to know what a public enquiry is all about or what it will do. He seems to be - not only is there a feeling that he does not want to get to the bottom of this by this public enquiry, but he does not even seem to know what a public enquiry would do. Does he not realize that a public enquiry would have the right, the power to call witnesses before it, to question people, to have them cross examined, Mr. Speaker, to find out what exactly transpired over the last number of years, for example, regarding this thing? Does he not realize that a

MR. W.N. ROWE: public enquiry can have in camera sessions to protect the privacy of people, yet at the same time the public can be sure that the relevant information will, in fact, come out? Does he not know, Sir, that with a public enquiry there will be no discretion on the part of public servants or ministers or anyone else to keep back documents that may be relevant, Sir?

MR. NEARY: No hatchet job.

MR. W.N. ROWE: Does he not realize all of these things? And will the hon. minister tell us why, since it is obviously necessary - and I have had hundreds of phone calls, Mr. Speaker, I do not mind saying, over the last couple of weeks at home and in my office from people, registered nurses, members of the Medical Association, laymen of all kinds making speculative suggestions to me as to what went on. And I, as a member of this House, Sir, call upon the minister once more to tell us why he is so eager, and his colleagues are so eager, to give the impression, at least, that they do not want a public enquiry to probe deeply into this thing and find out the truth, not only from documents, which can be withheld at the discretion of either the minister or some public servant, but, Sir -

MR. NEARY: Too much skulduggery and hanky-panky, that is the reason.

MR. W.N. ROWE: - probe to the bottom of this thing by cross-examination, by in person examination, by the enquirer and lawyers and so on to find out exactly what happened in this particular case, Mr. Speaker? Why is he so eager not to have a public enquiry?

MR. NEARY: Covering up for somebody.

MR. SPEAKER: The hon. Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, contrary to what my hon. friend says I am not eager not to have a public

MR. HICKEY: enquiry. I have no objections to a public enquiry nor does this government have any objections to a public enquiry, when there is an indication, when there is some doubt as to the truth coming out or as to the necessity, if it is shown that there is a necessity for a public enquiry.

Surely, Mr. Speaker, no one on the opposite side are crazy enough to think that this government, this administration wants to hold back anything pertaining to that institution. It is crazy! It is crazy, Mr. Speaker, if anybody thinks that because this administration has led the way to open that institution, to start a programme of education for the people of this Province, to turn around what is in fact a completely wrong impression of what is going on in that institution, This administration is working deperately at turning that whole situation around.

Why would we fear a public enquiry into Exon House? The fact remains, Mr. Speaker, and as I have said repeatedly, it is not that we are against a public enquiry, but again I repeat, and I think the Premier put it best in his comment in the House last week, it seems that there is no necessity for a public enquiry. If in fact when the documents and the information is tabled it spells out abundantly clear that there was nothing wrong, there was nothing but aboveboard things with regard to the appointment and the selection of the administrator, and surely, if the tabling of these documents answers all the questions of my colleagues across the way, why then would we go into a public enquiry?

I suggest to my hon. friends, Mr. Speaker, that they await the tabling of this information and it is then their prerogative if they wish to ask for a pbublic enquiry. But it seems to me that there is nothing to

MR. HICKEY: be gained by pursuing the matter at this particular time.

MR. W.N. ROWE: One final supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary on this line of questioning, then I recognize the hon. member for Conception Bay South.

MR. W.N. ROWE: Mr. Speaker, would the minister indicate to the House what procedures were used by the board which administers the General Hospital to hire Mr. Syrett as - what was he hired as? - as medical records officer, I believe?

MR. NEARY: Director of Medical Records.

MR. W.N. ROWE: Director of Medical Records, Librarian, Director of Medical Records, what procedures were used by the board? What procedures are used generally by the board at the General Hospital, which is responsible to the Minister to hire persons in responsible positions? And what, Sir, procedures specifically were used in order to hire Mr. Syrett as the Director of Medical Records or whatever position he held with that institution, the General Hospital, just prior to being appointed as the administrator of Exon House?

MR. SPEAKER: The hon. Minister of Recreation and Rehabilitation.

MR. HICKEY: Mr. Speaker, in fairness I obviously cannot answer that question, it is not under my jurisdiction.

AN HON. MEMBER: It was not asked of you.

MR. HICKEY: Mr. Speaker, I understood the question was asked by the Leader of the Opposition of me.

MR. NEARY: No, the Minister of Health.

MR. HICKEY: Well, he said 'the minister'. He did not say the Minister of Health. I simply want to point out that I have not, nor is it my responsibility to

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MR. HICKEY: answer for another minister.

In this particular instance, it is a matter under the  
Department of Health.

MR. NEARY: Sit down and -

MR. HICKEY: What is wrong with you today  
my friend? Give me a chance.



MR. H. COLLINS: He does not want you to answer it.

MR. NEARY: There is nothing wrong with me. What is wrong with the hon. gentleman.

MR. SPEAKER: The hon. member for Conception Bay South, followed by the hon. member for Burgeo - Bay d'Espoir.

MR. NOLAN: Mr. Speaker, a question for the Minister of Health. Has the Minister of Health asked for an enquiry as to why and how Mr. Syrett was appointed or selected as the Medical Records Director for the General Hospital? What recommendations were made and did he himself approve, or whoever was Minister of Health at the time, his appointment at that time?

MR. SPEAKER: The hon. Minister of Health.

MR. H. COLLINS: Mr. Speaker, this is something which should be cleared up and I will try to clear up any misunderstandings which the Opposition might be operating under. The General Hospital is operated under the provisions of the Hospitals Act.

MR. NOLAN: Responsible to the minister.

MR. H. COLLINS: Contrary to what happened in the past, but today, Mr. Speaker, that hospital is operated strictly in accordance with the Hospitals Act. They have the right to hire and to fire as they see fit. Certainly I have never become involved and I do not intend to become involved in the day to day hiring or firing, employment practices or whatever, of any hospital in this Province which is operated under the Hospitals Act, which has been approved incidentally, Mr. Speaker, by this Legislature.

MR. NOLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for Conception Bay South.

MR. NOLAN: If, as the minister says, he has not interfered in any way in the selection or appointment of any employee there, then, although that board is responsible for the Minister of Health as are all boards appointed provincially, will the minister be good enough then to

MR. NOLAN: find out what member of the Board of Governors of the hospital was responsible for the selection of Mr. Syrett to the position of Medical Director if he himself was not responsible? Who was it?

MR. H. COLLINS: I will take that under consideration, Mr. Speaker.

MR. NEARY: Mr. Speaker -

MR. SPEAKER: I had indicated I would recognize the hon. member for Burgeo - Bay d'Espoir next and then the hon. member for LaPoile.

MR. SIMMONS: Mr. Speaker, a question for the Minister of Rehabilitation and Recreation on the same subject. Last week he mentioned in the House that the former Exxon House Administrator, who was appointed at the time, Mr. Syrett was in his words, in the words of the minister, "head and shoulders above the other applicants." Since then we have had some information that that might not have been the case, I think there was a Mr. Stapleton mentioned in a letter here, indeed the information which has come out since, Mr. Speaker, would tend to contradict what the minister has said, and specifically I have had some representation from one of the applicants who was quite highly qualified, at least in terms of formal qualifications, both academic qualifications and job experience qualifications, a person who currently holds a senior administrative position in the Provincial Public Service, indeed the minister may know exactly who I am making reference to, that person, and I guess he speaks for others, he spoke for at least one other when he spoke to me, is very deeply offended by the minister's assertion that Mr. Syrett was "head and shoulders above the other applicants". And I am wondering now, in view of the information which has since come to light, that the minister's statement is not at all anything near the truth in assessing Mr. Syrett's qualifications for the job, will the minister now in view of that publicly withdraw and indeed apologize for his remarks last week and for his slandering, really, of the very qualified applicants who have applied for the job -

MR. SPEAKER: Order, please! Order, please! I think I must require the hon. gentleman to withdraw the allegation of the hon. member slandering somebody.

MR. SIMMONS: I certainly will. I was just struggling for some wording there, because what the minister did, Mr. Speaker, last week is preposterous in taking applicants apart. He talks today about protecting them by not having their names out; well if everything but their names were out, and if their reputations are out on the table, then I cannot see what offence is created by having their names as well. At least they will have a chance to defend themselves.

My question to the minister is now in view of the information which has come to light, that he was very wrong in asserting that Mr. Syrett was the most qualified person for the job, qualified of those who had applied, will he now publicly apologize to these very qualified applicants for his misrepresentation last week of their qualifications?

MR. SPEAKER: The hon. Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, if I thought for one second, and I am acutely aware of what I said last week, every word with regards to this matter, if I had any doubt in my mind at all or if I had any reason to believe that I had offended wrongfully any individual who was involved in that competition, I would not hesitate for one second to apologize. But, Your Honour, I said nothing last week for which there is required an apology.

Let me explain by informing the House of this that last week I simply said that my investigation with the public service clearly indicated to me that Mr. Syrett was by far, and if I used the word 'head and shoulders over the rest' it was not meant in anyway to put down the others, but rather to show that this man had qualifications notwithstanding any question of his academic standing, but he had qualifications far in excess of any other applicant with regard to experience, practical experience, and courses in hospital administration for which this position in fact was very much in that area.

AN HON. MEMBER: (Inaudible).

MR. HICKEY: That is what I said. That is exactly what I meant, Mr. Speaker, and it was in no way to minimize the importance of the qualifications of the other people who were involved.

The House might be interesting in knowing that when I learned of the failure on the part of the public service to verify the Grade XIII, I asked the public service if in fact this gentleman had said he had Grade X education, what would have been their recommendation? They answered precisely and very quickly and said, we would have recommended him the same as we did, because he was recommended not because of his Grade XIII or Grade XII or XI or anything else, he was recommended as number one on the list because of his practical knowledge, his practical experience, and the reports which came as a result of inquiries with regards to his performance in his previous position. So it was on that basis that this gentleman was appointed, not a comparison of his academic standing versus those

Mr. Hickey: who were competing with him. I want to make that very clear.

Mr. Speaker, the other thing that should be said is that the very thing that the member for Burgeo-Bay d'Espoir (Mr. Simmons) attempts to latch onto now that I, and I believe he used the word 'scandal'.

MR. MORGAN: Slandered.

MR. HICKEY: Slandered. One of those people competing for this position is the very thing that I alluded to in answering the question earlier that I am not in a position as a responsible minister to table just anything that comes to my hands for fear of opening the door to those people who in fact would have a good case for putting them down and slandering them or anything else, or indeed reflecting adversely on their reputation, not to mention letting know their present employer that in fact they had applied for a position when they may not even know it.

MR. SIMMONS: A supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary the hon. member for Burgeo-Bay d'Espoir, The hon. member for LaPoile after.

MR. SIMMONS: A first and final supplementary, Mr. Speaker. Is the minister telling us now that he still agrees, notwithstanding what has gone on, he still feels that the appointment was the right one, and that the gentleman appointed was the person of those who applied most qualified to do the job? Is that what I understand him to be saying?

MR. SPEAKER: The hon. Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, that is a hypothetical question. I think it is a most unfair question to ask me. We are talking about qualifications based on practical experience and an employment record. And now the hon. gentleman asks me to sit in judgment or pass judgment on to whether or not I think today - you know, hindsight is a great thing, Mr. Speaker, but I have not found anyone in my years who has got it, and that is the only way that I can answer that question.

MR. SPEAKER: The hon. member for LaPoile followed by the hon. gentleman for Eagle River.

MR. NEARY: Mr. Speaker, I want to direct a couple of questions to the hon. the Premier about another inquiry, approximately a year ago was being considered in this House, and the hon. the Premier appointed an internal committee to look into what I call the Scrivener affair. And the hon. the Premier indicated that if necessary, if there was anything in the internal report that was given to warrant an inquiry, that the hon. the Premier assured the House, assured me personally outside of the House in his own private dining room, that if the hon. the gentleman thought it was necessary that there would be an inquiry into the Scrivener affairs. Does the hon. the Premier consider it now necessary to have an inquiry into this affairs to clear the air for once and for all?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, I think at the

PREMIER MOORES: time the police were carrying out an inquiry at that particular time. I forget the exact report on it now but I certainly will find out and advise the hon. House.

MR. NEARY: Mr. Speaker, a supplementary question.

MR. SPEAKER: A supplementary.

MR. NEARY: Just to set the hon. gentleman straight, the Minister of Justice told the House the other day that to his knowledge there was no inquiry of any sort, at least no initiative taken by the Province. Now it may have been taken by somebody else outside of this Province, I do not know. Well, would the hon. the Premier table a letter that was written and allegedly dictated in the Premier's Office by a Mr. Andrew Davidson, allegedly clearing the hon. the Premier of any wrongdoing in this particular affair? Would the hon. the Premier table that letter?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, this has been on the go ever since, I guess, certain people have been spokesman for Mr. Doyle. And the fact is, Sir, that there was no letter written in my office by Mr. Davidson clearing anyone from any responsibility. Any letter Mr. Davidson wrote I assume was done by himself or by pressures other than from this government.

MR. NEARY: A supplementary, Mr. Speaker.

MR. STRACHAN: Mr. Speaker.

MR. SPEAKER: I said I would recognize the hon. the member for Eagle River. That will not preclude the hon. gentleman from my coming back to him or his pursuing it. But I notice there are other hon. members who are trying to get in.

MR. STRACHAN: Mr. Speaker, I have a question on an entirely different matter altogether but as far as a number of families are concerned it is equally important. Could the Minister of Tourism in view of the fact that he is well aware that the Northern herds in Labrador have been wintering most of the time in Quebec this year and only recently have turned around and headed back into Labrador and still are a hundred miles away from most of the communities, and since most of the families on the coast depend on wild meat from the caribou herds for sustenance since there is very little meats available in the communities, could the minister indicate whether he intends to extend the season due to the lateness of the caribou herd coming around and returning back into Labrador?

MR. SPEAKER: The hon. the Minister of Tourism.

MR. MORGAN: Mr. Speaker, the situation in Labrador over the past number of weeks has been one of extremely bad weather conditions and that is one main factor which has influenced our decision which I am now going to announce to the House of Assembly. The caribou herd in the Eastern zone, the season closed April 15th, but because of the extremely bad weather conditions over the last number of weeks, preventing many hunters from getting in to hunt the caribou, we are now extending the season to the end of this month - the end of April - to enable the hunters to get in to get the meat along the coast.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the member for Bellevue.

MR. CALLAN: Mr. Speaker, my question is for the Minister of Fisheries. In view of the fact that contract



MR. CALLAN: calls have appeared in the newspapers as late as last week regarding fish facilities and so on, I am wondering when will the minister be in a position to indicate to hon. members opposite when he will be in a position to announce what facilities will be carried out this year?

MR. SPEAKER: The hon. the Minister of Fisheries.

MR. W. CARTER: Perhaps when my estimates are approved by the House, Mr. Speaker.

MR. CALLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: One supplementary.

MR. CALLAN: Mr. Speaker, can it be assumed then that the contract calls and so on that are currently being called are for last year's funds?

MR. W. CARTER: For this year? Last year? Would you mind repeating the question?

MR. CALLAN: Yes, I am asking the minister can we assume that the contract calls that are presently in the newspapers, are they for last year's funds, and if so, have all of last year's funds been allocated?

MR. SPEAKER: The hon. the Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, yes, they would be included in last year's estimates. Most of the things that we proposed last year have been done and certainly those that have not been done will be done during the coming fiscal year.

MR. SPEAKER: The hon. the member for Burgeo - Bay d'Espoir followed by the hon. gentleman from LaPoile.

MR. SIMMONS: Mr. Speaker, a question for the hon. the Minister of Justice. It relates to an issue we were on last week in Question Period and we ran out of time, namely, the report of the police investigation into matters related to spending practices in the Department of

MR. SIMMONS:

Public Works.

And in answering the questions the minister left open the possibility, at least that was my interpretation, there might be another report. Could I put that question to him first as to whether he anticipates or whether he knows at this point in time that there is going to be a further report of that investigation or is the report now in his hands or in the hands of the Director of Public Prosecutions? Is it the final report on the subject or an interim report?

MR. SPEAKER:

The hon. the Minister of Justice.

MR. HICKMAN: Mr. Speaker, following the line of questioning last week I made enquiries of the Director of Public Prosecutions without asking him what was in the report and he told me that he had received reports, but indeed he had, as I suspected, found it necessary to go back and call in one or two witnesses for elaboration upon some statements they had made

then he will make the decision following upon the evidence which he receives as to whether or not any person - and I repeat, it was not an investigation by the police into spending practices or buying practices of the Department of Public Works and Services, it was an investigation.

The only reason why I am permitted to comment on it at all is that the matter came to public light because of an exchange of correspondence between the Auditor General and the Director of Public Prosecutions, which usually is confidential, but in this instance I think it came before the Public Accounts Committee. In any event it became public knowledge. I simply repeat what I said last week, Mr. Speaker, that as soon as the Director of Public Prosecutions is satisfied that all of the available evidence has been presented to him, he will then decide whether or not there has been any breach of any section of the Criminal Code of Canada by any person within or without the Province, and having reached that conclusion he will take the necessary action.

MR. SIMMONS: A supplementary.

MR. SPEAKER: One supplementary.

MR. SIMMONS: Mr. Speaker, perhaps just to correct for the record: The minister when being reminded will recall that this item became public as a result of a question put to him by the member for Fortune-Hermitage (Mr. Winsor) here in the House about the last of May or the first or second day of June last year. The correspondence he refers to was some time subsequent, I think a number of months subsequent to that exchange in the House. It was in response to the question from my colleague that the minister indicated yes, indeed there was an investigation going on. It became public in this House on the second day of June last

MR. SIMMONS: year. It was the minister who made it public in response to a question.

My supplementary, Mr. Speaker, to the Minister of Justice: I gather from what he has just said that apart from pursuing additional information no action has been taken on the report at this particular time or no decision has been made as to whether any charges will be laid. Is that fair to assume?

MR. HICKMAN: That is quite correct, Mr. Speaker, I hesitate even to talk about this because for a very good reason, as hon. gentlemen -

MR. NEARY: (inaudible) about welfare cases though. The minister (inaudible)

MR. HICKMAN: And I do not talk about these cases that come before the court, nor do I talk about many others, and there are a multitude of other cases -

MR. NEARY: (Inaudible) quite a few more (inaudible)

MR. HICKMAN: That is right. And I can think about one that we could talk about in great detail but I will not do it. When an investigation is ongoing that is a matter that has to be conducted within the confidentiality that one imposes very necessarily upon the police forces that have been there traditionally, for the very simple reason that if sufficient evidence is not disclosed or uncovered to indicate that charges should be laid, no one in the world should ever know that a citizen is being investigated. It is only when there is sufficient evidence to warrant the laying of a charge it becomes public knowledge. The other danger in commenting on this is that unwittingly people's rights may be prejudiced as might the Crown's be.

MR. SPEAKER: I had indicated I would hear only one supplementary. There is time for only question, The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, this question is for the hon. the Premier, Sir. The Premier in congratulating the opposition on Thursday night, I think it was for doing such a fine job in calling their constituents and receiving phone calls from their constituents, mentioned the figure

MR. WEARY: of \$123,000. Now there are twenty members— there were nineteen members, actually—in the caucus at the time and the Premier singled out my telephone bill, when I was an independent and the distance of my district and so forth, as being \$5,700. How could the hon. the Premier, what kind of mathematics was he using? Just say there was twenty people in the caucus into \$123,000, that would be an average of \$6,150, average per member. So how does the hon. the Premier justify mine as being the highest? And the other question is, is the hon. the Premier now going to table each individual telephone bill for each member of this House?

MR. SPEAKER: The hon. Premier.

PREMIER MOORES: Mr. Speaker, the answer to the second part of the question is, yes, I will table that information, as I said I would. And for the information of the hon. member, the Opposition office was \$103,000

When I said the hon. member was

PREMIER MOORES:

the highest, I am talking about his credit card calls which was for \$5,700, which was considerably higher than anybody else's. The fact is, Sir, that the Opposition did average the use of the phone to an average of \$6,500 each as opposed to the government members, private members averaging just over \$2,000.

MR. NEARY:

A point of personal privilege, Mr. Speaker. The hon. the Premier, Mr. Speaker, just made a statement in this hon. House that is misleading. It is not true and I ask, Mr. Speaker, that the hon. gentleman retract the statement and be severely disciplined by Your Honour for trying to mislead this House, on the statement that the hon. the Premier made that my credit card calls amounted to \$5,700. Sir, I do not use a credit card, for the information of the hon. the Premier, and I ask the hon. the Premier to withdraw that remark, apologize to the House, or be severely reprimanded by Your Honour.

MR. SPEAKER:

The hon. the Premier.

PREMIER MOORES:

Mr. Speaker, I can understand why the hon. member does not use a credit card, but having said that I will certainly table the information I got from Public Works which associates a number, associated with the hon. member, which associates with \$5,700. Gladly, Sir.

MR. NEARY:

To that point of privilege, Mr. Speaker.

PREMIER MOORES:

I am only telling you what I got from Public Works.

MR. NEARY:

Mr. Speaker, the hon. gentleman made a statement, that my credit card calls, Sir, amounted to \$5,700.

MR. MORGAN:

Your telephone bill.

MR. NEARY:

Mr. Speaker, the hon. the Premier made a statement, Sir, that my credit card calls amounted to \$5,700. That is untrue. It is a false statement. It is misleading the House.

MR. MORGAN:

Your telephone bills.

MR. NEARY:

I do not use a credit card. And I would ask

MR. NEARY: the Premier to retract that statement, Mr. Speaker.

MR. SPEAKER: Order, please!

MR. HICKMAN: Mr. Speaker, that is not a point of privilege.

It is simply a debate between two hon. gentlemen. It is clear what the hon. the Premier has indicated, as being absolutely correct and that is the number of telephone calls made by the hon. the member for LaPoile in the last fiscal year, or whatever the period is, by him and charged to government account, be it a credit card or be it charged to his telephone number.

MR. NEARY: You cannot make false statements in this House.

MR. HICKMAN: There is nothing false about that, and it is not a point of personal privilege.

MR. SPEAKER: Order, please! As I see it there is a difference - I am in the midst of a ruling - there is a difference of opinion between two hon. members with respect to the number of phone calls, or whether they were charged to a credit card or were not charged to a credit card, and related matters, but as I see it, a difference of opinion on certain facts, but no allegation or imputation of motive or insulting or contemptuous language which would constitute a point of privilege.

ORDERS OF THE DAY:

Motion, the hon. the Minister of Labour and Manpower, to introduce a bill, "An Act Respecting Occupational Health And Safety In The Province," carried (No. 24).

On motion, Bill No. 24 read a first time, ordered read a second time on tomorrow.

On motion that the House resolve itself into Committee of the Whole, Mr. Speaker left the Chair.

MR. CHAIRMAN: Order, please! Head 1401-01. The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Chairman, still on the minister's salary. Sir, I would like to draw the Committee's attention to the situation surrounding the Nordsee-Ocean Harvesters merger. Sir, I would like to point out to the Committee that we in the Liberal Party, in Opposition, were the first to speak out and question the advisability of the Nordsee-Ocean Harvesters merger, mainly, Sir, because we were concerned of just where foreign investment ends and foreign control begins. This was our major concern.

And I would like to point out, Sir, that we on this side of the House are all for foreign investment in the resources of this Province as long as we still maintain control over our resources, in this case our fisheries resource. Now, Sir, everybody in this Province knows that foreign countries throughout the world want our fish. They have the markets for them. They have the processing plants for processing our fish, or the fish off North America, and they now have a surplus of draggers and trawlers, and I would suggest possibly even fish plants and that sort of a thing for the simple reason that there has been the imposition of the 200 mile limit not only in Canada off the Canadian Coast, but also off the American Coast.

Now, Sir, we have fought hard and long for the 200 mile economic zone or fishing limit. And the only possible way that these traditional foreign countries can get maximum use of their trawlers and draggers and fish plants is if they can in fact buy into Canadian companies, gain control so they can maximize the use of their trawlers and draggers.

AN HON. MEMBER: Right.

MR. F. ROWE: And, Sir, therein lies the danger, because policy decisions will be made, the shot would be called from outside, not only of Newfoundland and Labrador, but outside of this Canadian nation itself.



Mr. F. Rowe: And, Sir, I would suggest to this Committee that it would be an extremely dangerous precedent if we allow the Nordsee merger as first proposed to go through. Now, Sir, everybody know in Committee that FIRA initially makes a decision on this, and the final decision is up to the Federal Minister of Fisheries as far as the issuing of the trawler licences are concerned,

But, Sir, this is not what worries me. I do not know what FIRA are going to do, the Foreign Investment Review Agency, and I do not know what their decision is going to be. And I do not know, although I have a feeling what Romeo LeBlanc's feelings are with respect to foreign ownership in these dragnets off our coast. But, Sir, what disturbs me very much is the Premier of this Province up sneaking around Ottawa, having secret meetings with FIRA trying to sell the original proposal. Now the Minister of Municipal Affairs sits over there with a big grin on his face, The fact of the matter is, Sir, that under questioning in this hon. House last week the Premier of this Province finally admitted that he in fact and a number of his colleagues had met with FIRA and we know that he was pushing for the Nordsee-Ocean Harverters merger, Sir, with 51 per cent investment or equity by Nordsee.

Now, Sir, when that came out we had unusual thing happening. When it became obvious that the Provincial Government in the name of the hon. the Premier was pushing for the Nordsee proposal, we had the Minister of Fisheries himself say that this requires further debate, When the hon. the Minister of Fisheries first heard about it, He said publicly on T.V. that this required further debate, public debate, not just House of Assembly debate, but public debate.

SOME HON. MEMBERS: Hear, hear!

MR. F. ROWE: A number of other hon. members opposite, Sir, voiced some concern. And, Sir, while the Premier was up sneaking around FIRA and Ottawa, pushing Nordsee 51 per cent, there were a number of hon. members opposite extremely concerned. The hon. member for Ferryland (Mr. Power) came out with a press release questioning the

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Mr. F. Rowe: advisability of foreign control over a fishing industry. The hon. member for St. John's South (Dr. Collins) also came out with the same

MR. F. ROWE:

feeling, and a number of other hon. members whose names escape my memory at the present time.

Now, Sir, peculiar things began to happen. A quick weekend meeting and the member for Ferryland (Mr. O'Brien) has a sudden conversion, after some immersion, I would suggest. And the hon. member for Ferryland, instead of then questioning and saying there is a need for debate, got rapped on the knuckles in a weekend caucus meeting and he comes out and he says that it is not just a good idea, an excellent idea, but it is a super fantastic idea, the 51 per cent equity by Nordsee into Ocean Harvesters. Now, Sir, later on we have the Minister of Fisheries coming out with his own formula whereby the government of this Province buys up to 5 per cent equity into the Ocean Harvesters/Nordsee proposal. Now, Sir, I would like for the hon. the Minister of Fisheries to settle once and for all before this Committee, during the debate of the estimates for his department, just what is the government's policy with respect to the Ocean Harvesters/Nordsee merger. The hon. minister cannot escape by suggesting that this is a merger between two private enterprises because the government with the Premier as the spokesman have gone out on the limb and said that he, and presumably therefore, his administration, supports the original proposal. Now the Minister of Fisheries has come up with another formula so that now we have two different formulae, and now the minister has indicated publicly through the media that the Premier is leaning his way.

Now we would like just to know just how far the Premier is leaning towards the hon. the Minister of Fisheries' formula, number one; and number two, whether the Premier is now prepared to go to Ottawa, meet with

MR. F. ROWE: FIRA secretly, privately, publicly or what have you, and indicate to FIRA that he no longer supports the original concept of 51 per cent equity by the Nordsee.

Now, Sir, I have been surveying, questioning, seeking out information and data and the feelings of literally hundreds of fishermen in this Province, and I have also spoken with members of the fishing industry, and I have yet, Sir, to come across one single inshore, near short, offshore or deep sea fisherman - one single fisherman! - who is in favour of the original Nordsee proposal, not one, Sir. Because they are concerned about the inshore fishery on the one hand; they are concerned about the Hamilton Bank complex and the depletion of the cod stocks and the caplin which the cod feed on; and they are also, Sir, concerned about foreign control of our own resource after this long-drawn-out battle for the 200 mile limit - very, very concerned, Sir, not one single fishermen. There is only one member, Sir, of the fishing industry, only one member that I am aware of, who supports the Nordsee proposal, and that of course, is the owner of Ocean Harvesters, Mr. Alec Moores. He is the only person whom I have been speaking with in the industry who is in favour of it. Not one single other member, Sir, of the fishing industry have I spoken to who has indicated that he is in favour of the Nordsee proposal.

Now, Sir, just let me warn the Committee of this, that if the Nordsee proposal is allowed to go ahead as originally formulated and supported by the Premier and presumably therefore the government and Cabinet, that this will open the floodgates to many other foreign countries who have a surplus of trawlers and who want to get in and fish the 200 mile limit through the back door.

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MR. F. ROWE: And that will spell the doom, that will be the end of the fishing industry for this Province, because it will be controlled and exploited and the shots will be called from the outside.

Now, Sir, in view of the mixed reaction that we have gotten from the hon. members opposite, I would like for the Minister of Fisheries to indicate to the Committee, Sir,

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MR. F. ROWE: just what the policy of this administration is and I would like the minister as well, Sir, having proposed publicly that he would like to see the government have 5 per cent equity in any arrangement between the Nordsee group and the Ocean Harvesters group, I would like the minister to provide evidence that will assure this Committee and all of the people in Newfoundland and Labrador that even that 5 per cent equity would protect and insure and assure that we will have control over our fishing industry in this Province. Where? If I knew the answer, Mr. Chairman, I would make the proposal here. I am certainly dead set, as are my colleagues, Mr. Chairman, against anything in excess of 50 per cent equity by a foreign company in one of our fishing industries in this Province. And we have the spectacle, Sir, of a number of backbenchers opposite questioning the Nordsee agreement. We have the spectacle of the Premier up sneaking around with FIRA, pushing for Nordsee, Nordsee's proposal we have the spectacle of the Minister of Fisheries with another formula, we have the spectacle of the member for Harbour Grace, Sir, introducing a motion to this House "Be it resolved that this hon. House support the proposal of the Nordsee Company to purchase 51 per cent interest in Ocean Harvesters Limited". Sir, it is an absolutely incredible diffusion of policy emanating from a government-contradictory statements, inconsistent statements, different statements, ministers arguing against ministers, members arguing against members, and the people of Newfoundland believing what the government says. And I believe that the fishing resource of this Province is one of the few last remaining resources that will be the salvation of this Province. The people of this Province are still up in the air as to whether this government is going to take a direction which in fact will keep that resources under the proper control and complete control and definite control of this Province and of Canada. And I am sincere, Sir, when I ask the minister- there is no attempt whatsoever to embarrass the minister during Committee stage, no attempt, Sir, on my behalf whatsoever- I am asking in Committee stage, Sir, on behalf of the many worried people throughout this Province for the minister to assure this Committee, and therefore the people of Newfoundland, or indicate to this Committee what the policy of the govern-



MR. F. ROWE: Oh yes, there is nothing wrong. The hon. member can pat his colleague on the back all he wants to, but I am just asking the minister to get up and defend his own estimates, something which we have not seen so far during the consideration of the estimates.

Now I would like to reiterate something that I brought to the attention of the Committee last week, Sir. The government, before the House opened, indicated that there would be a great thrust in the area of the fisheries this year, and in the Throne Speech we saw the statement along these lines, that in order to show its great priority in the fisheries, the government this year will be increasing the expenditure of the Department of Fisheries a full 10.5 per cent -

MR. HICKMAN: (Inaudible).

MR. F. ROWE: 10.5 per cent, on page - well, the Minister of Finance, if he wrote the speech, will find it on page six, the bottom of the page, 10.5. Sir, that is less than two per cent of the total budget by this Province. And I would submit, that if this government is serious about developing this great fisheries resource, that we should see a minimum of quadruple the amount of money being spent on the fisheries if we are to develop the fisheries in this Province. And, Sir, I have taken the figures of the Department of Fisheries for the last seven years, Sir, and I see for example that in '73 the increase was fourteen per cent, in '74 it was sixteen per cent, in '75 it was ten per cent and Sir, we went into Committee before my calculator could work it out for the last couple of years.

This year only two per cent of the total budget and my calculator could not catch up. But it was great last year and I admitted that and I provided the minister with the sheet of paper here last Friday and I proved by studying the estimates over the years,



MR. F. ROWE: that when we make a comparison and we look at the net estimates for the Department of Fisheries, we see only an increase of seven point four per cent over last years.

They are straight out of the Budget,

Mr. Chairman, I cannot argue with the Budget. I do not know where the minister gets his figures. That is net. As far as gross is concerned there is only a six per cent increase over last year. As far as the revised or actual estimates, take the estimates for this year, compare them with the revised estimates last year and we see only a four point zero five per cent. No where can I see anything close to ten per cent. And even if it is ten per cent, or ten point five per cent - as the minister is shaking his head and indicating that it is - he probably has figures which indicates that it is ten per cent. I have honestly gone through the estimates here and made the comparisons, worked out the calculations and I can only come up with a seven point four per cent increase in net expenditures, a six per cent increase in gross expenditures, and a four point zero five per cent in real or actual revised estimates. And when we whip out the increase in salaries, offices and travel and expenses voted in other department we can whittle it down to two point seven per cent.

MR. CHAIRMAN: Order, please!

MR. F. ROWE: Time is up? Oh I thought we used to get a warning.

Okay, Mr. Speaker, I guess if I just -

MR. J. CARTER: Sit down.

MR. CHAIRMAN: One minute.

MR. F. ROWE: Yes, thank you very much, Mr. Chairman. I will follow the advice of the Chair and not the hon. member for St. John's North (Mr. J. Carter) who should be in his seat when he opens his yap over there.

Mr. Chairman, the two points that I have made is

MR. F. ROWE: the concern over the Nordsee proposal and the lack of a definite policy on the part of the government. I would really appreciate it if the minister could indicate to the Committee where exactly the government stands on that, and I have also pointed out to the best of my ability that the government have not put in dollars and cents the great thrust in the fisheries development that I, and hon. members here, had hoped to.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. member for Mount Scio.

DR. WINSOR: Mr. Chairman, much has been said and written about the potential of our fishing industry in Newfoundland. With the introduction of the 200 mile fishing zone and the strong measures taken to manage fish stocks, we have an opportunity to structure, after 400 years, a healthy and vibrant fishing industry.

Statistics and estimates such as TAC's and maximum sustainable yields tend to confound me, but I accept an assumption that with proper conservation we will

DR. WINSOR: be able to catch more fish. I commend the minister for the effort he is putting into, one, increasing our catching capacity, and two, expanding our processing ability, but, Mr. Chairman without proper planning we could end up with the biggest glut of all times; without proper planning and marketing of all this fish we can have egg all over our collective faces. We must expand our markets. With the recent development in the United States and their determination to improve their fishery and this combined with the average low consumption of fish by the American, we cannot depend on North America to consume our increased catch. We must expand our markets in Europe and Asia, particularly in countries seeking fishing licences, by negotiating favorable tariffs for a wide range of high quality processed fish. We must develop our processing technique to export a high quality product.

One of this government's most important programmes is to assist fish processors in the acquiring of modern machinery and equipment to be used for the production of consumer ready fish products. I would ask the minister to state what we are doing to encourage establishment of fishery support industries, such as the manufacturing of nets and ropes, fishing gear and machinery etc. I would suggest to the minister that we approach the federal government for help in establishing those industries with providing tax concessions or maybe we could provide those tax concessions ourselves. I would also ask the minister for his comments on a problem which I foresee will cause this government much trouble if not handled firmly.

France has claimed a substantial portion of the 200 mile zone South of St. Pierre and Miquelon. This should not be acknowledged by the Canadian government. St. Pierre and Miquelon should be considered as a shelter only for French fishing vessels that have a license to fish in our waters. I would concede a small inshore fishing zone, say three or maybe up to twelve miles for fishermen of the islands of St. Pierre and Miquelon for themselves. Large portions of the cod, redfish, herring and salmon stocks which Canada seeks to manage either fall within or migrate through this zone. As part of

JR. WINSOR: the Continental Shelf of Newfoundland, moreover, it may have explorable reserves of minerals, oil and gas. We must also remember that under the European Economic Community Fishing Commissions Regulations all EEC members could gain access to a large portion of a French zone. This could have a devastating effect on the recovery and development of fish stocks essential to our Newfoundland fishing industry. These stocks would be under the ownership and control of our competitors in the world markets. I realize, Mr. Chairman, that this decision is in the hands of the federal government but we should make our views known in no uncertain terms.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. member for Durin-Placentia.

MR. CANNING: It is twenty-six years ago since I stood in my seat representing my native district to speak on fisheries. I have since that time -

MR. CHAIRMAN: Order, please! I believe the hon. members are having difficulty hearing the hon. member. I do not know if anything technical can be done.

MR. CANNING: Mr. Chairman, on speaking to the House of Assembly in Newfoundland, in speaking on the fishery, I really appreciate the fact that you have called the attention of the House to the fact that my mike was off because I was just stating that it will be twenty-six years next month when I first stood in this House to speak on the fishing industry. A lot of water has passed under the bridge or a lot of seas have hove in Placentia Bay since that time, a lot of changes have taken place but, Mr. Speaker, when I look around the House and thought my voice was coming out and saw so few listening, the Premier not in his seat

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MR. CANNING: and several others out on both sides of the House.

AN HON. MEMBER: The Leader of the Opposition was out too.

MR. CANNING: I was wondering was I in the House of Assembly in Newfoundland speaking on the fishery, or was I in one of the Prairie provinces where they do not depend on the fishery.

In this regard, Mr. Chairman, there are two men in this House who should be able to stand up and talk on the fishery in a constructive way, give the House information, give the press some information if they want it, there are two here who should be capable of standing up - one of them is the hon. the Premier and the other is myself. Mr. Chairman, we both have had a lifetime of experience regarding fishermen, Mr. Chairman, and the fisheries, a whole lifetime, mine a little longer than the hon. the Premier's.

At the same time, perhaps what is interesting about it or what should be informative - a lot of good information should come out - is the fact that the hon. the Premier was the one who bought fish; the hon. the Premier was the son of a man among men referred to as the fishing princes of the Province, the merchants, the men who bought the fish and sold it. And I am the son of a fisherman who was brought up with the fishery, who was supported by the fishery, educated by the fishery. I suppose, and put on the road to face this world of ours by lone fishermen.

So, Mr. Chairman, from the two viewpoints we should be able to give good information. The Premier, if he will rise in his seat, I am sure could be very informative on what it meant to buy the fish, to

MR. CANNING: process the fish, to own a plant and to have complete control over prices given to fishermen and so on. And I, on the other hand, could tell how hard it was to live, how little we got, how poor our people were, what a struggle they had, how little they had, and so on. So the two of us between us should in this House be able to contribute to this debate. The only regret that I have is that I have only twenty minutes now; perhaps I would get another twenty minutes before the debate is over - the regret that I have seven hours in Newfoundland's House of Assembly to speak about the fisheries, to examine the Budget, examine the figures to be spent, to examine the policies of the present government, to find out what the Opposition think of it, what their policies would be, what they would do if they got in. Mr. Chairman, in Newfoundland, where for 400 years the people clung to those bleak shores, lived on the fishery, lived by the sea and near the sea and on the sea, a lot of them going under the sea during that time, Mr. Chairman, I find that today we are still depending on the fisheries. There is no oil yet come out of the ocean around Newfoundland, Mr. Chairman, it is a long way down the road. How much is out there, if it is economically feasible to keep on drilling, we do not know. We have our forestry, in danger at the moment. So, Mr. Chairman, what do we have? Our mines, not too bright - some closing, closed, others with strikes, and I find myself standing here to speak to the fishery, something which I know an awful lot about.

Mr. Canning: Mr. Chairman, I had my first experience with it at thirteen years of age, It was not full-time, Mr. Chairman, I was two or three months during my holidays at it. There are an awful lot in Newfoundland today trying to live by spending two and three months out there. Mr. Chairman, the first raincoat, the first time I put something on my back to keep out the water going to school, I earned it through fishing, When I put it on it was my own.

SOME HON. MEMBERS: Hear, hear!

MR. CANNING: I helped my father out a little bit that year by at least putting a coat on my back to go to school. And, Mr. Chairman, apart from that I had further experience as I grew up, I sailed the oceans in various types of ships, and I saw the way other countries fished at the time. I saw our side draggers side by side with me in action, except they were not fishing, they were fishing for mines and laying mines. Mr. Chairman, the year I came in- I came from the motor boat into the House practically, except I was at University for eight months in between, but the other four were spent fishing - I think I was in the position then to choose between should I continuing going to University or should I go back in the fishing boat. And, Mr. Chairman, since that I have represented a district, and I hoped I have represented it well. I think I have.

SOME HON. MEMBERS: Hear, hear!

MR. CANNING: But anyway there was one thing that I did: I have studied and watched, I have listend, I have seen Ministers of Fisheries come and go. I have seen changes in twenty-three years under one regime. And I have watched another five years of this under another regime. So I hope what I will say today and what I contribute to this debate, in the short time that I have to do it, that I will contribute and have some affect on those who listen to me, who have to pass those estimates to know where they are going, where we are going in the fishery of Newfoundland.

Mr. Chairman, I am going to give a few figures first perhaps as the basis of my few remarks. Mr. Chairman, they

Mr. Canning: are going to be frightening in some ways, I suppose, and appreciable in another. In 1951-1952, Mr. Chairman, I had the findings of some statistics that were taken, that were presented to me. It was giving me the average wage of a shore fisherman in Placentia Bay.

SOME HON. MEMBERS: Oh, oh!

MR. CANNING: Mr. Chairman, perhaps I should ask for the protection of the Chair for the noise coming from outside, please!

MR. CHAIRMAN (MR. YOUNG): I will ask the Sergeant-at-Arms to keep the noise down in the corridor please.

MR. CANNING: Mr. Chairman, that was 1952-1953. I have two sets of figures, Mr. Chairman. I had two figures given to me, one from Fortune Bay concerning Fortune Bay shore fishermen, and I emphasize 'shore', Mr. Chairman, because at that time there was one plant - there could have been two; if there were two they had just gotten off the ground - but the fish plant there the average wage could be higher. But I have the figures of the average wage. How accurate it was, Mr. Chairman, I cannot say because it is too long gone to know how the figures were derived at, but anyway I imagine it was pretty accurate.

In that year between 1952-1953, that fishing season in Fortune Bay and Placentia Bay, the shore fisherman of Placentia Bay averaged \$380 per annum, That was his income,



MR. CANNING: \$380 per year. Mr. Chairman, of course that varied. Some I imagine had \$600, others made \$300, others made \$200, and perhaps others made less than that.

In Fortune Bay, there is a difference in the two bays. The Placentia Bay fishery is longer. It has always been a better trap fishery, I think, and perhaps lobster fishery. There is no difference in the men. They are among the best men in Newfoundland, and the best fishermen probably in the West - not probably, are the best fishermen in the West Atlantic. But in Fortune Bay they were more unfortunate. The average wage of fishermen was \$240, Mr. Chairman. There are people in this House now who do not know what to make of that. They do not know if it is a fantastic figure, if it is a ridiculous figure or what not. Mr. Chairman, I would say it is a fairly accurate figure as far as statistics go.

Mr. Chairman, I have not the average wage of fishermen in Placentia Bay or Fortune Bay last year. But I have a few figures which will show that we have at least improved quite a lot. We have gone a long way.

Mr. Chairman, the deck hands in Burin, I speak of Burin and Marystown, it is there that there is a concentration of stern druggers. The rest are stern druggers in Grand Bank. I do not know if there are any in Fortune or not, there are probably one or two maybe in Fortune. But anyway practically all, I think, if not all, stern druggers. There are twenty-one or twenty-two fishing out of Burin and Marystown.

Last year, Mr. Chairman, in dollars, they paid out - I mean when I say they, the two plants, Fishery Products paid out, they are now Fishery Products Marystown Limited, and the other at Burin, owned by the same company - they paid out to the economy of that general area there, and most of the people, practically all the people on the druggers are from the immediate area. The people working on the plant are now living in the immediate area and belong to the immediate area. There are very few, if any, come from any other

MR. CANNING: part of Newfoundland to work in the plant or to go on the draggers; if they do they settle and they stay there.

They paid into that area \$18 million-plus, I think it would go \$18,200,000 or something like that, but anyway it was over \$18 million into the economy of that area. And one of the fishermen whose father, I guess, earned \$340 a year, or \$380 a year twenty-five or twenty-six years ago, were on the decks of those draggers. Their wages, I said I cannot give the average, perhaps the average would look better, but I will give the approximate. The deck hands - \$15,000 per year; engineers and cooks - \$20,000 plus per year; the skippers, captains of the boats - anywhere from, I say, \$25,000, it may be a little low, but \$25,000 or \$30,000 to \$40,000 and \$50,000 per year.

Now, Mr. Chairman, in my time representing the district we have come a long way. At the present time there are between Burin and Marystown, on the plants alone, there are approximately 1,000 I guess, 900 in personnel, between men and women. That will go up this year when they will go on twenty-four hour shifts, to another 200 or 300 people. It will be the first time that the plants have been on a round the clock shift. So in that area we have come a long way.

Mr. Chairman,

MR. CANNING: the area itself at the present moment is the most prosperous from the viewpoint of the number of people working and the money being earned, I suppose the most prosperous area in all Newfoundland and I am glad of it and I am proud of it. Mr. Chairman, I have heard on the other side of the House time and time again in the last couple of years, what did the other people, what did the Liberals do towards the fishery? Mr. Chairman, if I were to tell the conditions in that area when they were earning less than \$400 a year, the average salary less than \$400 a year, the general conditions and how hard they had to work and how many years they had to work, and then compare today, we have come so far it is just fabulous, it is fantastic and we still have a long way to go. But I certainly did not come back to this House to come in and defend the people with whom I served here for twenty-three years before I went out. I came to represent my district as I always did, to be fair, critical when I had to be critical, Mr. Chairman, and I have been somewhat disillusioned. I came in. My policy was-

AN HON. MEMBER: You only have a minute.

MR. CANNING: - Mr. Chairman, I have just been informed I have one minute left. So I will probably have to wait for another day, perhaps in another year, when another government is in power people who will consider the fishermen of Newfoundland, the fishing industry of Newfoundland important enough to allocate more than twenty minutes for a member from a wholly and solely and entirely fishing district to go on from there. Mr. Chairman, the thing is, I was about to say how far we had gone and then I was about to make, I hope that would be - or give the minister a bit of advice to call on the Premier to wake up and get back in his seat and get to work and get down and take advantage of the 200 mile limit to avoid falling into traps, into pitfalls, like I think the Nordsee would be. And there are a whole lot of other items, Mr. Chairman, that I hope to be able to comment on before the six or seven hours are spent in order

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MR. CANNING: to talk on this most important item, I suppose one of the most important items in the Estimates.

MR. CHAIRMAN: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Chairman, maybe before I take the time of the Committee to answer some of the questions asked by the members opposite, I should seek leave, maybe, to table a document in which I have explained in detail various items of expenditure within the department. I am doing that because I do not think we will get a chance during the time remaining to go through the Estimates item by item and therefore this information otherwise would not be made available to the House, so maybe I could table this. Mr. Chairman, I am sure the hon. member opposite realizes there is a debate planned for the House later during the session, I believe probably the next Private Members' Bill, having to do with the Nordsee - Ocean Harvester proposal but certainly I am quite prepared to

MR. W. CARTER: spend some time on it during the debate of the estimates because, of course, this is a very important aspect of the future development of our fisheries.

The hon. the member for Trinity - Bay de Verde (Mr. F. Rowe) mentioned about the Nordsee thing and the danger of having a floodgate effect if and when that proposal is approved by the federal authorities. I do not agree with him in that respect, because surely, the people who will be controlling licences, the people in the Foreign Investment Review Agency, and others, will not be obliged to give permits to any other company who wants to come over here from Europe strictly on the basis that they saw fit maybe to approve the Nordsee/Ocean Harvester merger. He mentioned the effect it would have on the inshore fishery. Mr. Chairman, maybe I can explain in some detail the present situation with respect to the allowable catches within our 200 mile limit, the Canadian quota as opposed to those given foreign countries, and Canada's rights under the unified text of the Law of the Sea Conference under which, of course, the 200 mile limit was declared.

First of all, the allowable catches are established by the federal government in conjunction with scientists from other countries. In 1978, the present year, the total allowable catch for codfish in the Northern area, say between Nain and off the Southern tip of the Avalon out two hundred miles is 135,000 metric tons - 135,000 tons of codfish will be caught in that area in the year 1978. And that is referred to as the ICNAF areas 2J,3KL, or some people refer to it as the Northern waters. Of that 135,000 metric tons, Canadian quota will be 100,000 tons, thereby leaving a surplus that has been allocated to foreign countries of 35,000 metric tons of codfish.

MR. W. CARTER: And then in the area to the North of areas 2J,3KL we have another 20,000 metric tons as a total allowable catch, thereby making a total catch in all of the areas, say, North of the Southern tip of the Avalon of 155,000 tons. Of that 155,000 tons, approximately 52,000 tons of codfish will be given to foreign countries for which Canada will not receive one cent in economic benefit. Not one cent will come back to this country -

AN HON. MEMBER: Shame!

MR. W. CARTER: - in terms of economic benefit for our people. Of course, the terms and conditions under which the 200 mile limit was declared, while it gives the coastal state the right to harvest the resource within its 200 mile limit, while it gives the coastal state the right to attach economically motivated conditions to any or all surpluses given to foreign countries, it does place on the state an obligation to allow other fishing countries to harvest that fish which is surplus to the coastal state's catching capability. In Canada's case in 1978 that is 52,000 metric tons of codfish. The Canadian effort, I repeat, will be approximately 100,000 tons and the foreign effort will be 52,000 tons.

Canada, Mr. Chairman, being a responsible nation, one that is very conscious of its image abroad, could not possibly adopt a dog in the manger attitude by saying that we will set the allowable catch only at the amount of the Canadian catching effort. So I think that the allowable catch that was established is realistic and a fair one, but the fact remains, like I said a moment ago, that a large portion of that total allowable catch so designated for 1978 will be caught by foreign countries with no benefit whatever coming back to our people.

Let us look at the Nordsee proposal.

MR. W. CARTER: the Nordsee-Ocean Harvester proposal calls for the harvesting of about 20,000 metric tons of codfish, 20,000 tons that will be taken from the allowable catch of 135,000 or 152,000 metric tons in all of the areas I have mentioned.

The fact is, Mr. Chairman, that unless we can demonstrate one way or the other our ability to catch that fish, well then we are going to forfeit our right to it. Unless we can provide ships, one way or the other, to harvest that which has been designated as the allowable catch, unless we can catch it then we will lose it. And that is why we believe it is incumbent on this government and on the federal government to use every device at our disposal to ensure that the people involved in the fishing industry in this country are given every opportunity to increase their catching effort one way or the other, by charter, by purchase, or by the construction of new ships, in order to minimize the amount of fish that was declared surplus and will end up on the filleting tables of the plants in Europe with, like I said, no benefit whatever coming back to this Country.

I do not think it is being unCanadian, or being against Newfoundland to insist that we be given our rights, the rights that were given us by the Law of the Sea Conference, to harvest the living resource within our 200 mile limit. I would prefer to see that fish landed by Newfoundlanders, by Canadians, and processed in our plants, employing our people, than I would see it landed by foreign ships, manned by foreigners, landed in foreign plants and again processed by foreigners.

The Ocean Harvester-Nordsee proposal will mean that 20,000 metric tons of codfish, all of which will be caught offshore, will be landed in Harbour Grace for processing in that plant by our people. The alternative, Mr. Chairman, in my view, is totally unacceptable.

MR. W. CARTER: The alternative is to forfeit our right to that 20,000 tons of codfish and allow the other countries to harvest it.

MR. E. ROWE: Where is your policy -

MR. W. CARTER: Never mind my policy. I am answering your questions, if you do not mind. I am saying now that the alternative to us catching that 20,000 tons of fish will be allocating it to foreign countries for their benefit. Now I would prefer to see our people catch it, and I would certainly prefer to see our plant in Harbour Grace, a Newfoundland owned plant, landing that fish and processing it for the benefit of our people.

The Nordsee-Ocean Harvester proposal will not tax by one pound the fishing efforts within Canada's 200 mile limit. It will not, Mr. Chairman, add one pound to the total allowable catch that is established by the federal scientists working with their counterparts in other countries. It will not add one ton of codfish to the allowable catch that has been established in 1978 and again will be established in 1979. Because it does not matter whether the Nordsee-Ocean Harvester deal is agreed to or not, or approved or not. The fact is that there will be a certain allowable catch established. And I repeat, if we cannot catch that fish, well then we forfeit our right to it and it will be caught by foreigners, for their benefit. That is why, when the 200 mile limit was first announced, in fact even before it was announced officially, this government went out and sought ways and means of finding ships in the short term by way of charter, and of course in the long term by way of the construction of new and more sophisticated ships than what we have now.

On May 11, 1977, we submitted to the federal authorities a proposal in which we requested permission to charter ships to enable us to land an additional 12,000 to 15,000 metric tons of codfish, to land in our plants, on ships that would crewed partially, or in some cases maybe entirely by Newfoundlanders.



MR. W. CARTER: That proposal was not accepted. Ottawa, for reasons better known to themselves, refused to even entertain our proposal, in fact it was sitting on their desks I think for about six months before they had the courtesy to even acknowledge it.

In 1977, Mr. Chairman, while we were being denied the right to charter ships to catch part of that fish, foreign ships, operated by foreigners, harvested almost 100,000 tons of codfish in that area. Had our approval been accepted, we would have landed an additional 12,000 or 15,000 metric tons. So the fact is that a lot of fish is still being given away. This is what I hear the hon. members opposite talking about, the present Minister of Fisheries in Ottawa and about the policies of the present Government in Ottawa. I am not going to go in any great detail as to our relationship with Ottawa. Certainly I think at times it is good and at times it is not so good.

We cannot, Mr. Chairman, accept the position that while Newfoundland fish plants are being denied licences to operate ships to harvest and land fish in our plants, in 1978 there will be 500 such licences offered, or at least issued to foreign countries, that will catch that fish in the areas where we could very well catch it. And I can refer the hon. members of the Committee to the situation in Fortune at this time, where Booth Fisheries were actually driven out of the country, and some day that story will be told and I will tell you then there will be a few red faces in this Country, when the Booth Fishery story is told. That company, Mr. Chairman, was actually driven out of this Country, it being an American based company.

They were refused licences. We assisted the company to find ships that could be chartered on terms that were economically acceptable, to fish in waters that are being fished by foreigners, and to land that fish in that plant in order to give some continuity of work to the people working there.

Their request was denied and I am told now that the new owners, and this is not official yet, but I am told that they

MR. W. CARTER: are having similar problems getting licences to harvest certainly codfish for that plant. I cannot, Mr. Chairman, understand the rationale for the Ottawa policy. Maybe I can in a sense. Maybe there is a trade off going on. Maybe they are concerned with respect to our relations with some of our big customers abroad. Maybe they are more interested maybe in keeping peace with certain countries that are purchasing huge quantities of wheat and flour and barley and farm equipment from this Country. And maybe that is good. Maybe that is the way countries trade. But it is of little consolation, Mr. Chairman, to the fish plant workers in Fortune, or the fish plant workers in Trepassey, or Bonavista or Catalina, and I can go around the Coast, who are now forced to work pretty well half time, taking home a half week's pay, it is little consolation to them to know that by virtue of the fact that they are prepared to forfeit their right to that fish, or at least their government in Ottawa on their behalf, they are telling the other countries that, "You can have a certain quota in order for you to do certain things on the other end of it."

I do not accept that and I do not think we should as a Province and as a government. I believe that Newfoundlanders have a special right to that fish. I believe that we, maybe not a special legal right as a Province, but certainly we have a special right, a moral right to it in that without Newfoundland, without our entry into Confederation back in 1949, Canada would not have had an Eastern Continental Shelf, or at least not a very extensive one. I believe that as Newfoundlanders, as a Province that brought the Continental Shelf and all of the resources thereon to this Country in 1949, I happen to believe that maybe we do have a special right to the resource. And that is what we are saying. We are saying, give us a chance to do our own thing. Allow us to use whatever means we have at our disposal to increase our catching efforts

MR. W. CARTER: and in the short-term, of course, that can only be done by so-called joint ventures, by proposals such as the Nordsee - Ocean Harvester proposal, or by the chartering of existing ships. We cannot build ships overnight. We have made a proposal to Ottawa. Newfoundland working with the other Atlantic Provinces submitted to Ottawa a well-researched document in which we have requested a statement of policy from the government, from our national government with respect to the replacement of our existing fleet, and all we are getting there is a lot of jargon; the minister at times taking out of context completely the substance of our proposal. We did not, Mr. Chairman, this Province nor did our sister provinces in Atlantic Canada at any time talk about expanding the present fleet; we merely asked that we be given a chance and some assistance to replace the existing fishing fleet.

Of course, when you realize that the cod stocks in the area that I have mentioned, the 200 mile limit, on the basis of official federal government statistics compiled by their top biologists, project that by 1985 the cod stocks will be more than doubled, that where this year we have a 135,000 ton total allowable catch, in 1985, a mere six or seven years hence, the stocks will be 300,000 metric tons.

The question we must ask ourselves, Mr. Chairman, are we going to gear up now to be able to harvest that fish when the stocks are rebuilt or are we going to continue to see foreign effort ravaging the resource? In fact, as the stocks increase and as their quotas increase, then so will their fleets. I repeat, we are not talking about expanding the fleet. It would not make sense to talk about increasing the number of wet-fish trawlers, for example, when a large number of our ships are still operating at maybe a little

MR. W. CARTER: more than half capacity.  
We are asking that the fleet be replaced and that the side trawlers that we have now, many of which are coming to the age of retirement, will be replaced with modern, up-to-date and more sophisticated ships.

Mr. Chairman, my twenty minutes are up. Certainly I will have a chance before the seven hours expire to maybe have more to say on the Nordsee proposal and also, of course, on other matters raised by the hon. members opposite.

MR. CHAIRMAN: The hon. the Leader of the Opposition.

MR. W.N. ROWE: Mr. Chairman, I have twenty minutes in Committee here to mention a matter which should have been the subject of a general debate in this hon. House, the Nordsee proposal. It has been put down by one of my hon. friends opposite for Private Member's Day, but if this government had any concern over putting out publicly the truth and the facts about the Nordsee proposed takeover of the plant at Harbour Grace, Sir, they would have themselves, as a matter of priority, made certain that there could have been a free-ranging, wide-ranging debate on this whole subject, for the simple reason, Sir, that the direction we take with regard to the Nordsee proposal can determine the future direction of this fishery, the fishery of this Province, for generations to come.

SOME HON. MEMBERS: Hear, hear!

MR. W.N. ROWE: Therefore, Sir, if this House of Assembly means anything at all to the people of this Province we should have long ago, either in the Throne Speech if the House Leader would only call it, or the Budget Speech or some other specific debate, we should long ago, Sir, have had a free, long and wide-ranging debate on this whole Nordsee proposal. I have twenty





MR. W.N. ROWE: or ignorantly, without having possession of the facts, in itself, Sir, indicates that I for one, and a lot of people in this Province have a lack of trust and confidence that the government knows, in fact, what it is doing in this particular proposal.

In the whole area, Sir, of the provision of new markets, which I do not have time to get into today, but which I certainly will get into when this matter is debated fully, there are all kinds of doubts as to whether in fact new markets are going to be opened to Newfoundland fish and Newfoundland processed products, either in Europe or elsewhere, by this proposal. I have reams of information, Sir, which throw doubt, considerable doubt on the new markets being opened up to Newfoundland products or fish from this particular proposal.

There is a statement made that the Nordsee proposal will inject new technology, Mr. Chairman, into the Newfoundland fishery, and new expertise. Now this may be true, Sir, to some extent, particularly in the operation of the large wet fish and freezer trawlers and possibly also in the plant. It has to be pointed out that while the control of Birdseye - I am informed by reliable sources - that while this plant was under the control of Birdseye, which is another Unilever subsidiary, the company, Sir, I am reliably informed - and I hope to have some further documentation when we get into the debate again - the company, Unilever, its subsidiary, Birdseye, was incredibly secretive and nothing by way of new technology or new methodology or new ideas was ever made available to other Canadians or other Newfoundlanders.

And, Sir, if we are going to take a direction which is at best doubtful and may be at worst completely disastrous, and if we are doing it and

MR. W.N. ROWE: one of the grounds for it, Sir, is that new technology is going to be injected into the Newfoundland and Labrador fishery, then let us know what we are doing.

I am told by experts in the field, Sir, that it would be much better to buy or lease the technology, the software involved, than to bring it in by way of a takeover by a foreign company, a foreign firm or one of our own Newfoundland companies and the issuance of licences to these boats, especially since the history of the parent company is one of incredible secretiveness and a lack of desire to spread information or technology around.

There is also something, Sir, I would like to say about the development of the underutilized species which is put forward as another reason why this procedure, this proposal should go forward. Again, Sir, there are grave doubts on that which I do not have the time at this



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MR. W. N. ROWE: moment to get into, but which we surely will if, as and when this government has the courage to allow a complete debate on what perhaps is one of the most important matters to affect the destiny of this Province in this current year.

The extravagant claim is made, Sir, that the take over will save Ocean Harvesters and insure the prosperity of the Harbour Grace area. And again, Sir, I have figures here before me now which indicate that there is far more to the Ocean Harvesters operation than meets the eye, and I am informed reliably, again by experts, that only an examination of the audited accounts and company records can reveal the true story of the operation of that company which has not been so badly off in terms of revenue and so on, Sir, as has been indicated. All this rhetoric about saving the company, I am informed, Sir, is more than likely pure nonsense and being designed merely to gain support for the proposal from the local population who are obviously very interested in the deal.

In passing, Sir, it is interesting to note that apparently all the U.S. sales of groundfish are made through F. W. Bryce Incorporated of Detroit, an American company, which firm, I am informed, Sir, happens to own nearly 20 per cent of Ocean Harvesters' shares - Ocean Harvesters' common stock. And when you have a situation which exists like that, a marketing company in the United States owning some shares in Ocean Harvesters, then, Sir, before anyone can start making statements about a company being on the rocks or this will save the company, This will allow this company suddenly to become viable, one would need, Sir, before making any unalterable decisions based on that kind of a premise, one would certainly want

MR. W. N. ROWE: to have the whole financial structure and a relationship between this large American shareholder in this company and the company itself. The whole relationship there, Sir, would have to be looked at by expert accountants and auditors to see exactly what the financial picture is.

Another matter, Sir, which is urged in favour of this Nordsee proposal is that these vessels if given licences would fish the Northern groundfish stocks where Canada has allocation surplus to its own capabilities. Now, Sir, you can spend two or three days here on this subject alone and the Minister of Fisheries well knows this. The whole area, the whole question of surplus cod stocks in the Northern groundfish cod stocks, Sir, the whole question is one which is subject to interpretation and misinterpretation, subject to as many opinions, Sir, as you might have people discussing it, and again, I intend to get into that whole field. Stratford Canning, the minister probably is aware, did an excellent paper on this some time ago, in which he indicated that the question of surplus groundfish in those Northern stocks could be looked at in a much different way, Mr. Chairman, than it is presently looked at, and we could come to the conclusion very persuasively that in fact there is no surplus there at the present time to our needs.

MR. NEARY: Hear, hear!

MR. F. ROWE: That is what Romeo was worried about.

MR. W. N. ROWE: And Romeo LeBlanc, the Minister of Fisheries, is very much concerned about that. And before, Sir, we start giving our licences to foreign trawlers to fish that Northern cod stock, let us know in this Province - let us know, Sir, exactly where we stand before we start

MR. W. N. ROWE:                    talking about surpluses and the fishing of surpluses, especially, Sir, since it has been proven, I believe, beyond the shadow of a doubt, and I believe the minister would agree with this, that the inshore fishery is completely dependent, and the viability of the inshore fishery is completely dependent on what happens with that Northern cod stock and how we handle it and manage it, Sir, in the future. And a disastrous step taken there could have a disastrous effect on the inshore fishery on the Northeast coast of this Province, where I think anybody who is interested in the fishery must stop and say, There is our top priority. there is our priority which must be allowed to operate to the exclusion of anything else if there is any evidence whatsoever that

MR. W. ROWE: it may be anything, any operation in the Northern cod stocks may have the effect of jeopardizing the Northeast Coast inshore and near shore fishery.

It is also, Sir, as far as the Northern cod stocks are concerned, sure Sir, it is highly undesirable that such a large quantity as this, 20,000 metric tons, be given to one company, especially a foreign owned company. Especially again, Sir, once if we have resolved this question as to whether there is in fact genuine surplus or not, concerning which matter there is grave doubt, the same fish, Sir, if we resolve it and say there is a surplus, the same fish could be caught by vessels chartered for that purpose on a seasonal basis, for as long as and to the extent that Canadian owned vessels were not available to take it. And then, Sir, in that way we would not be plagued by this feeling that there is a sell out to foreign owners, and employment could be created at other plants as well as the Harbour Grace plant. And other plants could be assisted to remain viable. And there would be no need to find resources for these large vessels to catch in Southern areas during the off season in Northern areas, and the long term benefits to Canadian fishermen and fish processors and plant workers, could in fact be maximized, Sir, if we look at this thing a little more broadly and a little more sensibly than we are presently looking at it.

MR. W. CARTER: Mr. Chairman, I wonder would the hon. member permit me to ask him a question on this?

MR. W. ROWE: He can ask a question, Sir, when I am finished. I only have twenty minutes and I have the distinct feeling that I am pushing this stuff, Sir, as fast as I can to get out some points on the record, to show why we are unalterably opposed to what this government is trying to ram down the throats of the Northeast Coast fishermen and the Newfoundlanders generally by consenting

MR. W. ROWE: to this Nordsee proposal, and pushing this proposal. The government has not, Sir, answered the question to my satisfaction, or to the satisfaction of any fisherman I have talked to, on the Northeast Coast, as to why the government should have this unseemly haste to get this thing done, signed, sealed and delivered before anybody has the opportunity to question some of the points which have been, or to make mention of some of the points which are being raised on a daily basis.

Sir, just again to touch some of the highlights showing the disadvantages of this proposal, the provision of fishing licences to this new company, Sir, would be contrary to, I believe, what has already been stated by the federal government as the foreign ownership policy in the giving of foreign licences. The policy has already affected several other cases, including, I understand, Sir, from my sources, using Fisheries and Nordstern and there may be some others as well. And a different decision in this particular case by the federal government would be surely seen as arbitrary, unfair and certainly inconsistent. And again, Sir, it would lead clearly to further takeover proposals by other foreign interests, not only here but perhaps in Nova Scotia, New Brunswick as well, which the Government of Canada would find it very difficult to refuse. I understand that Nordsee itself has already visited Nova Scotia looking for similar investment possibilities.

So, Sir, it is not Newfoundland obviously that they are necessarily trying to serve the interests of. They are a firm which are over here trying to take up the slack caused by the extension of the 200 mile limit.

Certainly, Sir, the provision of fishing licences to this particular company cannot be seen as being otherwise than inconsistent with the objectives of the extended 200 mile jurisdiction in the first place. It seems to me, Sir, that once the Canadian Government, under

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MR. W. ROWE: pressure from Newfoundlanders, took the gigantic step forward of extending our jurisdiction 200 miles out over the sea, it would seem to me to be incredibly stupid and naive for us to get into a position where we are taking a step in the first year or year and a half of this new jurisdiction, which might have the effect of removing forever, or to a large extent, control of our destiny as far as the fishery of this Province is concerned.

MR. W. ROWE: Mr. Chairman, the Minister has yet to answer the question, I believe put my hon. colleague, concerning the differences which exist between him and the Premier regarding the amount of equity which will be in the plant which is taken over by the foreign interests and by local interests. I believe, Sir, that the Minister will not answer it because he knows that it is mere rhetoric to talk in terms of a five per cent, or a three per cent, or a ten per cent interest by the Newfoundland Government in this particular operation.

I believe that if we allow Nordsee to have an interest which can be perceived not necessarily as fifty-one per cent, but it can be perceived as a controlling interest, and you do not need fifty-one per cent to be largely in control, Mr. Chairman, of a particular plant. And if we have a local interest which is beholden to the foreign interest, as we are likely to have, and if you take into consideration as well, Sir, the fact that, as I understand it, on the breakdown of holdings as proposed now - we have to take into consideration that this F. W. Bryce firm in the United States will be probably owning eleven per cent as well, and that even on a fifty-one per cent Nordsee takeover, you are talking about sixty-two per cent foreign ownership at the present time, and that we are merely talking words, Sir, and rhetoric, I believe, Sir, that this Government would be doing the people of Newfoundland a favour and great justice if they came out and stated clearly now that they are not going to allow the takeover of a controlling interest, or even a substantial interest, in the plant in Harbour Grace and, certainly, Sir, that they are not going to lobby in Ottawa for these fishing licences to be given to these trawlers, certainly not now in a hurried, precipitous, rushed sort of way until all the questions and doubts have been examined once and for all by members of this House, by other interested groups, the union, the fishing industry itself, and that no step should be taken towards allowing foreign ownership or foreign control of our fishing industry until,

MR. W. RONE: as I say, these doubts are removed. If then, the Government can show that the doubts are insubstantial, do not have anything to them, that I would be one of the first ones to come out and say, 'Okay, allow Nordsee or someone to take over Ocean Harvesters and all the rest of the plants in Newfoundland for that matter'. But I doubt very much, Sir, if there is any persuasive evidence or argument which the Government can bring to bear to allow a fishing industry which gradually for the last four hundred years was out of the hands of local people and local fisherman, and now that we have a chance with our two hundred mile limit to bring it back into our own hands, to control and manage it, and to make sure that we plan our own direction in the Newfoundland fishery, I do not see how any government who has the interest of the Newfoundlander at heart and the Newfoundland fisherman at heart, can bring into this House any evidence, or any reason, or any opinion which can convince the members of this House that it is a good thing to sell out the Newfoundland fishery to foreign ownership for the sake of a few quick jobs, and we should make sure that everybody in Newfoundland, the union, the industry, and members of this House, Government and Opposition, spend the next year or two formulating a direction for the Newfoundland fishery with the stress and the emphasis being on the proper development of the inshore fishery in this Province as far as the northeast coast is concerned and to make sure that it is the fisherman who gets the benefit of this great, massive resource and the workers and processors in the plants, and that we do not sell out our control and our destiny to foreign ownership.

Mr. Chairman, as I say, I have to sit down now. There are many other things that I want to say about this pernicious and wrong-headed policy put forward by the Newfoundland Government, and we will have that opportunity as time goes on. In the meantime, Sir, let me say that we on this side do not support this proposal and



MR. W.N. ROWE: if the Government of Newfoundland were doing the people of Newfoundland justice it would come out and say they had made a mistake, they had moved in too fast and that this is a wrong and pernicious policy to be following.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: The hon. member for Harbour Grace.

MR. YOUNG: Mr. Chairman, I should like to congratulate the Minister of Fisheries for his great ambition since he became minister and took over this portfolio. I feel, Sir, his PR does not stop as stated by the member for Trinity - Bay de Verde (Mr. F. Rowe) nor does his image stop after his PR job. Much progress has been made, Sir, since 1975, when he came to that portfolio.

I should like to read the objective of the Department of Fisheries since the minister came there: "To ensure the economic and social well-being of Newfoundlanders engaged in the fishing and to safeguard and further Newfoundland's interest regarding the reasonable and orderly exploration of her marine resources."

Mr. Speaker, in Harbour Grace the fishing habits in that district have changed drastically since the 1950's and 1960's, when the fishermen there fished mostly for cod. It is unfortunate, Sir, that the debate on the Nordsee merger has come into the minister's estimates. I probably would have liked to have seen it done before, but there has been no opportunity or time to do so, and the resolution is still on the Order Paper.

My resolution, Sir, agreed with the government's proposal at that time, the 51 per cent. But since then, I do not know, probably opinions have changed or more light has been seen on the subject

MR. YOUNG: and I do agree with the minister's suggestion that probably 5 per cent control by the government would be most advantageous to Newfoundland.

Also, the member for Bay de Verde (Mr. F. Rowe), Sir, said that not one fisherman agreed with this merger. I have listened to openline programmes. It was only one day last week when driving over the road

MR. YOUNG:

I heard a fisherman from, I think he was Harbour Breton, supporting the merger. And I am sure that the hon. member for Bay de Verde when he attended the meeting in Harbour Grace found out that there were people there, and fishermen, who supported this merger. I feel, Sir, and I am strongly in favour of this merger because we will see markets, we will see expertise and one thing we are all looking forward to in Newfoundland, there are jobs. That plant, Sir, down there now only works at four weeks full capacity and it only works around five to six months of the year. It is depending wholly and solely on the inshore fishermen.

The inshore fishermen, Sir, I cannot see why the fish that is on the Hamilton Banks, and I would be one of the first, Sir, to support a motion to ban foreign draggers on the Hamilton Banks, but if the foreign draggers are going to catch the fish and take it, as the minister said, out of Newfoundland, why cannot this fish be caught, if you feel like saying by foreign draggers, and brought into Harbour Grace and processed. We in that area of Conception Bay have greatly benefited from the joint ventures and I wonder, Sir, if it is 200 or 400 jobs as stated, if these 200 people can work eight or nine months of the year and 200 more with them. It will be of great advantage to that area.

I wonder, Sir, if this plant should close, will we be giving it then at a bargain price like has been done with some other plants? I feel, Sir, that the Nordsee deal will greatly benefit the inshore fishermen and it also, Sir, will benefit all fishermen in Newfoundland. One must remember, Sir, that the plant itself will be controlled by the provincial government licensing, and the draggers will be controlled by the federal government and it is not the way of getting the thin edge of the wedge in the door.

Sir, I must say that in the district of Harbour Grace I much appreciate, by both the federal and provincial government, the marine complex there. It is a great benefit and a great asset

MR. YOUNG:

to the fishermen. A community stage is in the process of just about being completed in Upper Island Cove, Sir. I must say that when we in Committee debate I would like to see the Committee go down our estimates heading by heading where I am sure that the minister can give us much information concerning what is going to be done in Newfoundland this year, where one can look at it and see that our budget for the Fishery Department has increased 300 per cent since 1972. I feel, Sir, that the first budget brought down by the government that I was happy to be a member of in 1972, that budget that year has increased this year to over 300 per cent.

Sir, I must state publicly as I have in the past that the Nordsee deal will be of great benefit and probably the saviour for the communities surrounding and the areas of Harbour Grace and Port de Grave, those places, and it will be of much benefit to the fishermen of Newfoundland.

MR. CHAIRMAN: Members of the Committee will know that we tend to go from one side to the other side in the House. So I would recognize the hon. member for Eagle River.

MR. STRACHAN: Mr. Chairman, I also would have preferred to get into a major debate on the Nordsee deal and the consequences that it is going to have. But since we are at it just now I will take ten minutes only of the Committee to discuss part of it. The minister indicated there was one alternative to developing this kind of fishery, that the only alternative other than to allow foreign fishermen to continue fishing that source or resource was to get into the kind of operation which we are now seeing, the Nordsee joint venture operation. In fact it is more than a joint venture; it is in fact a company from elsewhere obtaining a foothold in Newfoundland.

My particular interest is not vis-a-vis the Nordsee proposal as such, the financial interests and so on. I am sure other members will get into that more deeply. But my particular interest here is in the Hamilton Banks stock, the northern cod stocks, because I think

MR. STRACHAN:

there are certain falacies and I believe there are certain falacies and myths about that stock which have got to be presented. First of all, we talk about maximum sustainable yield of that northern stock, the total allowable catch, and we seem to regard that northern stock as being a separate and totally separate stock from fish elsewhere. It is a fact that fish are collective, they are migratory and they collect in certain areas. It is also a fact that during the early months of the year the nursery bed, and a proven fact, the nursery bed for the fisheries of the whole Northeast, not only on the Labrador Coast but the whole Northeast of this Province, the Island right down the Avalon Peninsula, the nursery bed is the Hamilton Banks and the northern zones.

We then see that figures come up

MR. STRACHAN: From scientists and biologists, many of whom are in variance with each other, that that cod stock is in a surplus situation, and I do not subscribe to that particular thought. I think that it is totally and absolutely wrong and false because in essence what we are talking about is that it may be surplus to that stock at that particular time of the year and at that particular location where they are located, but certainly that stock moves and migrates and as we all know it moves into total Northeast fishery all down this province from the Labrador Coast all the way down as far as Bay de Verde. So what we are seeing then is we are seeing a set of figures being applied to a source which has collected at one particular time of the year in which it may look in a surplus situation and yet at other times of the year when that fish move and migrate our figures show that there is a shortage of fish in the different zones.

I do not subscribe to the fact that there is a surplus there and in fact believe that the nursery beds as such, or the fishery, should be protected exactly the same as one does in any kind of management programme. It should be protected and maintained, and more especially protected and maintained since the exploitation of that source of that resource at that particular time of the year is an extremely expensive operation. It is an operation which requires larger vessels. It is an operation which requires fairly well factory vessels, ice reinforced at a capital cost over and above the capital required for a normal type of fishery. So what we are seeing is a prosecution of that fishery for a short period of time, two to three months of the year, by vessels which cost virtually a great deal more, considerably \$500,000 to \$1 million more for ice reinforcement in order to be able to prosecute that fishery when if that stock was left alone we would see a surplus. I believe we would see a surplus closer to shore in Newfoundland and Labrador, closer to shore later on in the year.

Furthermore scientists, and I have discussed it with them very sensibly, have shown quite clearly that that Northern stock

MR. STRACHAN: fished at that time of the year is in essence just before the spawning operation, before the spawning period, they are mature fish, very mature fish which in my estimation, since all management projects, all management programmes or husbandary programmes indicate that one should not be prosecuting any type of honourable life at the spawning stage or prespawning stage. That is exactly the same as saying you are going to hunt caribou when they are in calf and that you are going to hunt other animals, rabbits or whatever it is, when they are in young. And exactly the same situation arises here because we are prosecuting that fishery, that mature fish at a period of the year when they are in essence highly mature and ready for spawning or getting ready for spawning.

It is an expensive fishery which I believe should not be prosecuted and I would be the first to say that one can argue with this motherhood issue, as I stated before, but I would be the first to say that I am not terribly interested in what Romeo LeBlanc's position is against that. I would join with the minister here if he were prepared and I would go to Ottawa exactly the same as many of the other members would and argue with the Federal Government authorities that what they are doing in allowing this allowable catch in the Northern zone is in essence removing fish later on at a time of the year when Newfoundland can benefit better. Why should we have to develop this expensive technology, this expensive fleet of vessels specifically for this type of fishery, a two and a half month fishery, a three month fishery which is virtually not needed at any other time of the year? That kind of technology is not required at other times of the year. And I basically argue that what we should do is protect that stock at that particular time of the year and allow us to catch it elsewhere in the province as it moves when it starts to migrate and move away from that area. I do not like seeing the prosecution of that type of resource. I think it is very badly managed and I will argue equally well with the Federal biologist with whom I have had a number of arguments about that. If we are going to proclaim a 200

MR. STRACHAN: mile limit, then let us go a step further and also ask do we halt a fishery of this type, a very expensive fishery of this type, do we stop immediately or put on a moratorium? And I also disagree with their figures because in essence their figures are often taken from a changing base.

It is very easy to prosecute a fishery for ten years and then come up with a figure after the ten years prosecution showing that we have a percentage increase over last year or a percentage increase over two years ago and that therefore we think we are getting into a situation of which we have a surplus. I just do not believe many of their figures because if their figures were taken and extrapolated back to their base lines, then I feel sure that if they are extrapolated back to their base line we are not in a position of having an over surplus or surplus of fish in that area. I feel sure that many of the scientists also differ with each other in the interpretation of these figures. I think that we should be taking the safest route possible as far as that is concerned and allow that fish to mature, allow that fish to spawn and allow to this province and



MR. STRACHAN: fishermen of this Province to prosecute that fish at a time of the year when they are closer to home, at a time of the year when they are inshore, or if offshore, certainly can be prosecuted by the dragger fishery of this Province. Because I believe that what we are seeing here is the Nordsee proposal, now that a 200 mile limit has been placed, now that the quotas are being reduced to foreign vessels to a certain extent, they are looking at the situation in which they have expensive vessels, ice re-enforced, which cannot prosecute many more fisheries of this world, and therefore they are looking at seeing the quota being reduced over the years. And so what they are deciding to do is that realizing full well that in two or three or four or five years time these vessels may be useless per se to be operated elsewhere, what they are looking for is to have a foothold in this Province, to gain a foothold through such ventures as this, and therefore be able to operate it from Newfoundland, or from the Province here, rather than operate it from West Germany, or East Germany or Poland, or whatever it is. And I would like the minister possibly to indicate whether that this proposal is agreed to where do we go from there? Or do we accept other proposal as well and what is going to happen later on down the line that if we state that that fishery has to be protected, and there is consensus on that fact it has to be protected, and quotas are dropped exactly what position will we find ourselves in? And will other companies also try to set their feet on this Province, to get in there now before the quota is dropped to an uneconomical limit? Are they finding that with these vessels they cannot now prosecute the fisheries in a viable way? Are they now looking therefore to try to gain a foothold here? Is that possibly their attitude that they want to gain a foothold here to be able to operate from this Province instead of sending vessels across the Atlantic to prosecute a fishery with diminishing return all the time?

MR. STACHAN: So I would like the minister to respond to that. I would say, lastly - I do not want to take up too much of the time - but I say lastly that I had strong feelings on some of the fisheries aspects and many of them in a non-partisan way. This forum, and the House of Assembly here, causes many of us who stand to attack on a basis of partisanship, on a basis of political parties.

I feel that in the case of the fisheries that this is the very future of this Province and I would prefer many times to be talking on fisheries, hopefully in a view to the future rather than in a partisan way. And I think that the only way this can be done in many cases, or a system that could be put into force, is to expand the Committee system so that other people can get into a discussion of the fishery policy, for instance, and be able to put this at a committee level and be able to spend more time discussing it, hopefully in a non-partisan way, and less partisan than the House of Assembly is, so that we can try to develop something that really does have a meaning for the Province. Because in this system here, we are obviously here to one to knock the other, and I do not particularly enjoy this in the subject of fisheries. On other subjects it is fair enough, but on the subject of fisheries I think that it is far, far too important a matter to be discussed in a partisan way. At the same time I feel that we should be able to put forward our ideas without getting back from the other side that it is blame Ottawa or Uncle Ottawa or blame the federal government, blame Romeo LeBlanc. I am not a centralist at all and in fact many of the policies of Ottawa I disagree with. And I would be prepared at any stage to disagree with them on some of the things they are doing. But I think essentially that LeBlanc has done an excellent job as the Minister of Fisheries. On some things I would

MR. STRACHAN: disagree with him, and on some things I would like to get an opportunity to disagree with him. But I think that we can develop this at a committee stage far, far better for a direction of policy in fisheries, than we ever can in the House of Assembly. And possibly the minister, who must be loaded down with the day to day work of a department, who must be especially on the subject of fisheries, who must be concerned mainly, ninety five per cent of his time, or ninety-nine per cent of his time, with keeping letters and correspondence and all the day to day business going that he has no opportunity at all to have time or to be able to sit down and discuss at a wider range a policy position or a long term position for the fisheries. And surely, hopefully, at the Committee stage, that something could be set up at the Committee stage so that those people particularly interested in the fisheries can get into it in a less partisan way and hopefully have something to contribute, whether it is - still on the subject of this - this kind of surplus of fish on the Hamilton Banks or the Northern zone, or whether it is in vessel design or anything else and I suggest that the minister, and possibly that he might give it some thought, I have no great hopes of it ever coming about, but I would like to see it.

MR. STRACHAN: And I hope that the minister can reassure us that that surplus of fish, as I said earlier, on the Northern Banks is really a surplus and whether we cannot catch that fish more cheaply, more economically for the benefit of more Newfoundland fishermen and Labrador fishermen at a later stage of the year rather than to catch it through this expensive operation which is being used by a foreign company as a method of getting a foothold in Newfoundland in order to protect their investment in vessels which they realize full well they cannot sustain in the next three or four years.

MR. MORGAN: Mr. Chairman.

MR. CHAIRMAN: (Dr. Collins) The hon. the Minister of Tourism.

MR. MORGAN: Mr. Chairman, first of all, may I say that I think it is incumbent of me to stand in the House of Assembly and speak about fisheries, because Bonavista South district is a district which depends almost totally on the fishery, and primarily the inshore fishery. I will say at the outset that I find it absolutely astounding that yet we have on our horizon the brightest part of our economy, the most positive part of our economy, and I have yet to hear any kind of a positive statement from the Opposition on this major part of our economy except for the last speaker who just sat down. It is amazing, Mr. Chairman, because looking at the fisheries today I think it is obvious to all Newfoundlanders that it is one of the most vital parts of our economy and the future of our economy in the Province, yet the Opposition spokesman stands in the Committee stage and says, Oh, we only get an increase of ten per cent - only ten per cent, Mr. Chairman!

MR. MORGAN: He is annoyed and upset. It is a negative attack again. The fact is that an increase of ten, twelve or twenty-five or thirty per cent is an increase, yet, at the same time, the Opposition spokesman failed to point out what they would do with the additional increases in the Budget if it was allocated beyond ten per cent. If it were 25 per cent, what would happen to the money? Where would the money go? What kind of a development programme? Where would the money be spent? What emphasis would be placed on what part of our fishery - the inshore or the midshore or the offshore? No, Mr. Chairman, there are no positive comments, it is just the same old stuff of negative criticism which is really getting to this hon. gentleman here, because if there is going to be any kind of positive programme and positive development of the most important part of our economy, surely the Opposition can put their heads together. Now I realize the hon. gentleman who is now the official spokesman on fisheries was last year the spokesman on the university, and I am sure there is a big difference there -

MR. F. ROWE: Mr. Chairman, a point of order or privilege, please.

MR. CHAIRMAN: Order, please! A point of privilege to the hon. member for Trinity - Bay de Verde.

MR. F. ROWE: Mr. Chairman, this has gone on for some five or six years when I have been accused of being a spokesman for the university. I would like to point out to the hon. Chairman that I am not the spokesman and I was never the spokesman for the university. I have not been employed by the university since I took my seat in this House of Assembly. I will ask the Chairman to ask the hon. the member for Bonavista South to retract that statement

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MR. F. ROWE: because it is an inaccurate statement.

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: Mr. Chairman.

MR. CHAIRMAN: Order, please! I must recognize the hon. the Minister of Justice.

MR. HICKMAN: Mr. Chairman, that is not a point of privilege and it is not a question of whether the hon. minister withdraws it - that is fine - but it is not a point of privilege. And it has been ruled so often in this House that at the very most it might be a point of order, and even that, I would suggest, constitutes nothing more than a difference of opinion. But it is not a point of privilege and Your Honour has ruled that the point of privilege has to be something that is raised on very rare occasions. And this certainly is not one of the rare occasions.

MR. F. ROWE: To that point of privilege, Mr. Chairman, if I may speak.

MR. CHAIRMAN: (Mr. Young) I am prepared to make a ruling on it now.

MR. F. ROWE: It I may just have a word or two?

MR. CHAIRMAN: Yes.

MR. F. ROWE: Sir, it is simply just not enough for the hon. the Minister of Justice to get up and say it is not a point of privilege. He has gotten away with this on a number of occasions. I have made a prima facie case that the hon. member -

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Order, please!

MR. F. ROWE: - and this was witnessed by everybody in the Committee stage, that the hon. the minister accused me of being a spokesman or the member for the

MR. F. ROWE: university which is quite inaccurate - untrue, false - and the appropriate motion is that the minister withdraw the statement.

MR. CHAIRMAN: (Dr. Collins) Order, please! I feel it is more or less a point of explanation or a difference of opinion. I would ask the hon. the Minister of Tourism to continue.

MR. MORGAN: Now, Mr. Chairman, the hon. gentleman -

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Order, please!

MR. MORGAN: - who is the official spokesman in the Opposition on fisheries, was last year the spokesman for education, which involved the university. Now maybe that is the reason why the negative attitude is coming from the Opposition on fisheries - the most positive part of our future for this Province. And he is complaining about the fact there was no more than a ten per cent increase in the provincial Budget spending this year on fisheries. Look at the positive aspects of the fisheries. Look at the positive facts that

MR. J. MORGAN:

glare before us. This year past year, in 1977, 850 million pounds of fish was landed in this Province compared to 748 million pounds in 1976, a 14 per cent increase in the landings.

MR. F. ROWE:

Right. How did you do that?

MR. J. MORGAN:

Okay, so the market value also

increased the market value increased by 33 per cent.

MR. F. ROWE:

And you take credit for it.

MR. J. MORGAN:

I am not saying we are - nobody is taking credit for it. I am saying the positive parts of the economy, why is there not some positive things brought out? Mr. Chairman, also \$81 million was their value in 1977, a 31 per cent increase over 1976. That is the positive thing about fisheries, not just the fact that it only had an increase of 10 per cent in the spending this year. If the Opposition feels there is a need to increase to 25 per cent or 30 per cent or 40 per cent surely they can put forward their programs and the programs here which my hon. colleague provided to me. I cannot see how we can improve on the program my colleague has been putting forward during the past two years, a tremendous program in fishery development of this Province. Tremendous program!

Look at the employment factor. I heard a very disparaging comment about the fisheries a few days ago, and made again by the Opposition spokesman. Of course the unfortunate part, I noticed this afternoon that the only comment made by the official Leader of the Liberal Party was in a prepared speech he read in the House of Assembly in Committee stage, read off a prepared speech on the fishery. Surely he has some knowledge of the fishery. He is Leader of that Party over there. He travels throughout the Province meeting fishermen, talking to fishermen's groups and organizations' but he read a statement in the House about the fisheries, I guess prepared by his hon. colleague the spokesman on fisheries.

SOME HON. MEMBERS:

(Inaudible)

MR. J. MORGAN:

Now, Mr. Chairman, the fact is that the positive thing of the fisheries are that the employment in the fisheries



MR. J. MORGAN: is improving substantially, and it speaks for itself. The facts are in 1975 we had 14,000 fishermen licenced in this Province with 900 vessels. Last year, two years from that date, we had 20,000 fishermen, 18,000 inshore, 2,000 offshore, with a total of 13,000 vessels. That is the positive part of the fisheries. Now I know that the 200 mile limit and the increase in catches is a big factor in that, but it is all positive points in the fisheries.

Mr. Chairman, today we have a situation where the fishery is finally coming into its own in this Province. And the inshore fishery is of course of very important not only in my district but many of my colleagues on this side of the House of Assembly and I am sure in the Opposition. The inshore fishery is a very important fishery because in my district there are no offshore draggers. We have a seasonal plant and we have the midshore-inshore fishery only. And I am quite pleased with recent announcement from Ottawa. I am not always pleased with announcements from Ottawa but I am quite pleased with one announcement recently that this year in 1978 there will be a total of 100,000 metric tons of cod, the quota. Out of that quota 80,000 tons will be set aside strictly for the inshore fishery of our Province and that is a very positive thing from Ottawa on the fisheries. Last year the total allocations set aside for the inshore fishery was only 50,000. We see an increase of 30,000 metric tons for the inshore fishery. And of course there is one thing that still remains to be done from Ottawa, in my view, and I am sure the fishermen in my district support me on this one and on the efforts being put forward already by my colleague, the Minister of Fisheries, that Ottawa should establish a buffer zone for the inshore fishery. There must be a buffer zone established to protect the inshore fishing activity, whether it is a twenty mile, twenty-five, thirty or fifty, but there must be established in this Province a fishery inshore buffer zone to protect the inshore fishing activity of the inshore fishermen along our Northeast Coast, in particular, of the Province. One of the big problems in our Province today in connection with fisheries I find is the fact that the facilities and the marine facilities and fishery landing facilities are controlled by the federal government, that is one

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MR. J. MORGAN:

aspect, and while we do not want to take control of that we are concerned, I am at least, over the sometimes lack of attention given to the need to improve and repair the facilities along the Northeast Coast. Sometimes it takes as long as two years or even three years to get repairs made to fishermen's landing facilities like a wharf or a launchway or slipway or something of that nature.

MR. MORGAN:

The problem of facilities is a major one. Another major problem, which now seems to be handled very competently by my colleague, so the problem with the glut season. And the recent announcement, I think, is the answer to that problem, hopefully it will be the answer. I do not think the Salt Fish Corporation - I thought two years ago that the Salt Fish Corporation could be the answer to the glut problem. I have my strong reservations on the Salt Fish Corporation and have no hesitation in saying it. I think the Salt Fish Corporation a few years ago served a good function, a function of finding good markets for salt cod. Markets have improved substantially for the salt cod. I am not convinced now that the Salt Fish Corporation is doing an adequate job for the fishermen of our Province. And if I had more time, more than twenty minutes, I would be able to outline why I think the Salt Fish Corporation is not doing an adequate job in this Province.

Now, Mr. Chairman, last year we saw the licensing of 685 foreign fishing vessels fishing within our 200 mile limit. And I today am absolutely astounded that the Opposition can stand in the House and say we are totally opposed to the Nordsee deal-and the Nordsee deal, by the way, is a separate issue to be debated in the House of Assembly. There is a motion on the Order Paper, but I would like to know what the official Opposition's position is on the policy of the hon. Romeo LeBlanc on licensing foreign vessels to fish the northern cod stocks. It has been announced by the Federal Liberal Government they are going to charter foreign vessels to fish the northern cod stocks. That is my major concern.

Mr. Chairman, if Mr. LeBlanc is going to have the responsibility of control and management of our resources in the 200 mill economic zone - it is the federal government; they control it - if they are going to manage and control, surely they are not going to allow the foreign vessels, the foreign countries to come in and fish the northern cod stocks, in particular the Hamilton Bank area which is of vital importance to the Northeast Coast inshore fishery. So on one hand the Opposition condemns the Nordsee proposal, expressing concern

MR. MORGAN:

about the possibility of the foreign boats being used in that venture to fish the northern cod stock, but at the same time there is not a word in Opposition to what the federal government is doing by planning to charter foreign vessels to fish that same cod stock. That is a big concern to me because I know if we lose the cod stocks coming inshore every spring, especially during the cod trap season, the inshore fishery is going to be lost along the Northeast Coast and in Bonavista South district.

Mr. Chairman, there is a motion on the Order Paper to debate the Nordsee and I will be putting forward my views on that motion when the motion is put before the House of Assembly. But the fact is that if I have any concern in the Nordsee deal it is because of the fact that I am concerned about the fishing of any northern cod stock that comes along the Coast of Newfoundland. That is my major concern. Now the federal government comes along and says, We are going to charter the foreign vessels to come and catch the stocks on the northern coast. That has been announced by Mr. LeBlanc.

MR. F. ROWE: When was it announced?

MR. MORGAN: Yes, Mr. Chairman, it has been announced on many occasions by Mr. LeBlanc. The last one was made no longer than three weeks ago. It is the plan of the federal government to charter foreign fishing vessels.

Now, Mr. Chairman, I would sincerely hope that the Opposition would clarify their policies on the fishery, at least for the sake of all Newfoundlanders who next election will have a choice between the policy of the Liberal Government, if it forms the government, and the present administration because apparently there have been no policies put forward by the Opposition, none.

So, Mr. Chairman, the fact is that we did last year license 685 foreign fishing vessels on our coast. Now I have said for quite some time as Minister of Transportation in the past two years that I feel that the federal government should stipulate in issuing

MR. MORGAN:

licenses to these vessels that the vessels should come in port. That would do two things: Number one, it would create the activity in the ports along our East Coast and, number two, it would enable the fisheries patrol people and surveillance people to carry out a more adequate surveillance in regard to the type of gear being used by the foreign vessels. What is happening now is that one vessel goes out and issues maybe 100 licenses at one time. The vessels are not brought into port.

MR. MORGAN: and I have advocated that and I think my colleague, the Minister of Fisheries, agrees with me on this point. I think it is a point the Federal Government should pursue and help the ports like Halifax and St. John's in Eastern Canada, at least increase the activity and at the same time be able to carry out more adequate surveillance.

Also, the point in regard to the issuing of these licences, I notice with some dismay that last year there were fourteen charges before the courts, fourteen charges against foreign captains in 1977. All were found guilty in Magistrate's Court but the fines of these fourteen charges totalled only \$46,500, and I would say these were very nominal charges. Now I cannot, as a member of the House of Assembly, say the court should do this and the court should do that, but I am concerned that these are very small fines for the kind of charge laid against them. For example, 'Fishing contrary to the licence issued to them', Russia last year, received six charges and was found guilty of six of these charges; France, three; Poland, two; Portugal, one; a total of fourteen but yet the total fines are only \$46,500. I would say the foreign countries and the foreign skippers and the foreign captains were laughing when they left the Magistrate's Court to pay such meagre fines. I sincerely hope the courts will take a look at the situation in the future that if these penalties are going to be imposed for a charge of that nature, 'Fishing contrary to the licence issued', and 'Fishing using under-sized mesh' in other words, illegal fishing gear, that is what it is, that is what it means, illegal fishing gear, that the fine should be stiffened. If not, it is going to be a farce, they are going to laugh at us back here in this Province, here in this country.

MR. HICKMAN: Well they confiscated part of their catch.

MR. MORGAN: In some cases, I think. Mr. Chairman, the catches were confiscated and they had to pay for the value of the fish that was caught using under-size mesh, but only the fish caught using under-size gear or illegal gear.

MR. MORGAN: Mr. Chairman, unfortunately, there is very limited time in this debate to say anything unless you had a longer period of time. I will speak my views on Nordsee, The fisheries in Bonavista, for example, right now, in Bonavista South District, I know that they are quite pleased with the policies put forward by my colleague. My colleague has been there on many occasions and met with fishermen and discussed with them their problems. I mentioned this earlier, a few minutes ago when I talked about the hon. Leader of the Opposition travelling and meeting with fishermen to get their views and formulate some policy for his party on fisheries, they laughed in the Opposition, but I would say, Mr. Chairman, it is a good idea. Maybe he would formulate some policy over the next couple of years, or the next year or so, before the next general election.

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: I can assure you, Mr. Chairman, that my colleague has travelled throughout the Province extensively over the past couple of years and has met with fishermen like those in Bonavista South and he got firsthand from them, their views, their ideas and suggestions as to how they feel the Fishery should be developed in this Province. I would say that eighty-five per cent of the policies put forward are a result of the Minister listening to these organizations and listening to the fishermen throughout our Province, and that is the reason we have good policies today, we are putting forward the policies of the people of our Province.

AN HON. MEMBER: - Nordsee -

MR. MORGAN: Mr. Chairman, it seems like the hon. gentleman on the Opposition is eager to debate the Nordsee. Yet, the same hon. gentleman allowed one man in the Opposition to stand in this House and speak for four days, nonsense, absolutely negative trash, four days, and the same hon. gentleman to debate the Nordsee. The motion is on the Order Paper. We will get to the motion eventually,

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MR. MORGAN: but do not talk about wasting the time of the House.

MR. WHITE: What was your policy?

MR. MORGAN: We do not waste the time of the House. The fact is, the Nordsee motion is on the Order Paper, it will be debated, and the views put forward by all members who want to speak on the motion accordingly.

AN HON. MEMBER: Hear, hear!

MR. MORGAN: Mr. Chairman, because I have to now close out my few minutes on this debate, I will say that I do feel that the policies being put forward are proper policies, that we have an excellent Minister of Fisheries as already indicated by previous speakers, we have good policies, we are carrying out the proper planning, we are hoping to get the co-operation and co-ordinated efforts from Ottawa in respect to the need for new facilities, etc., and we hope to see good management of our two hundred mile economic zone. Because unless we see a change in Mr. LeBlanc's attitude as presently put forward, I fear that we are going to have some very serious repercussions about leasing the foreign vessels to fish the northern cod stocks in the Hamilton Banks and I do not want to see that occur in this Province.



MR. MORGAN: Mr. Chairman, despite the negative comments in the Opposition, we do have a lot of positive outlook in the fisheries for our Province. Thank you.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, I wonder if the hon. Minister of Fisheries would make a couple of notes on a couple of matters that I would like for him to give me some answers to. One has to do with a company out in Bay of Islands. I think they borrowed some money from the Newfoundland Development Loan Corporation to start up a fish meal plant in York Harbour, I believe it was York Harbour, the Dunphy outfit, Blow-Me-Down By-products.

MR. SIMMONS: Gone into receivership.

MR. NEARY: That is what I want to find out from the minister, Sir, what is going to happen to that beautiful plant that we were told last year, by the hon. member for Bay of Islands (Mr. Woodrow), and the hon. member for Humber East (Dr. Farrell) and the Minister of Fisheries, had such a glorious future, and now I understand today, Sir, that the Blow-Me-Down By-products Company in Bay of Islands has gone into receivership. So I want to find out from the minister what the future of that plant is going to be. Will it operate again? Has it been taken over by the Newfoundland Development Loan Corporation? Have they foreclosed to protect the loan? And if so, will the Newfoundland Development Loan Corporation operate the plant? Will the minister's department take it over and operate it? What is the status of the Blow-Me-Down By-products Company out there in Bay of Islands?

I would also like for the minister to explain to me a manoeuver that took place recently between the government and Fishery Products Limited in connection with a mortgage that the government held on the property in Catalina, I think it was. There were three transactions that I was able to locate in the Registry office between

MR. HEARY: the government, between the Minister of Justice, who is mentioned on one, the hon. T. Alec Hickman, Q.C., Minister of Finance for the said Province, acting for and on behalf of Her Majesty in Right of Newfoundland, on the one part, and Fishery Products, a company incorporated under the Laws of the Province of Newfoundland on the other.

Let me see if I can summarize, Sir, what happened and then I would like for the minister to confirm this for me, or just straighten me out because I am not an expert on high financing. I do not know why it was necessary to follow the procedure that was followed in this particular case, whether it was for income tax purposes or what the reasoning behind it was. But apparently the government held a mortgage on a piece of property in Catalina and Fishery Products, which the government owns and controls, which the government nationalized there two years ago - and the hon. the Minister of Finance and the Minister of Justice can look at me quizzically all he wants but in actual fact that is what happened. It was nationalized. What happened was that Fishery Products put some buildings on this property. Now they wanted to get some money from the Fishery Products in Marystown Limited. They wanted to get \$1,700,000. In other words, they wanted to free up the property in Catalina so they could borrow money from the parent company, or borrow money from Fishery Products Marystown Limited. At least that is the way it would appear to me.

So the government freed up the property. They released the mortgage and then Fishery Products Limited borrowed \$1,750,000 from Fishery Products Marystown Limited. And then the mortgage ended up back with the Minister of Justice again, with the government. The government now still holds the mortgage even though they released the mortgage in the first place, they end up again with the mortgage. Now why was all this manoeuvring necessary? Why did Fishery Products not go straight to their parent company in the first place and borrow the \$1,750,000? I would like for the

MR. NEARY: minister to enlighten me on this. I have asked for legal advice on this transaction. I can get no lawyer, and I have consulted with people who know a little more about corporation law than the hon. gentleman sitting across from me -

AN HON. MEMBER: That is easy.

MR. NEARY: That is right, that is easy - or criminal law for that matter.

MR. W. CARTER: Bring it over and I will have a look at it.

MR. NEARY: Yes, here, take it over to the minister and ask the minister if he can straighten me out because the lawyers that I have talked this over with, Sir, cannot see why all this manoeuvring took place, unless it is for income tax purposes, and if that is what it is for well then all the minister has to tell me, and I may not be happy with the explanation but I suppose I will have to be satisfied with it.

Now, Mr. Chairman, we have heard

MR. NEARY: considerable debate on both sides of the House this afternoon in connection with the Nordsee proposal and we have had the official position of the Opposition laid down by the Leader of the Opposition. I think basically what the Leader of the Opposition said is that we on this side of the House are against the Nordsee proposal in its present form.

Now, Mr. Chairman, the -

MR. CALLAN: We were the first.

MR. NEARY: We were the first to take that position. The Minister of Fisheries, Sir, has stated inside and outside of this hon. House the government's position, I presume, although we have heard conflicting statements from members of the government. They seem to be a bit dazed and confused and they do not seem to know what - their left hand does not seem to know what their right hand is doing. The minister is making one set of statements. The Premier is making another set of statements. The member for Harbour Grace is making another set of statements and it is all very confusing to the public. I think now, Sir, that it is incumbent upon the Minister of Fisheries to state the government's position. The minister who just took his seat, the Minister of Tourism did some fancy figure skating on thin ice and when I put the question to the minister whether he was for or against the Nordsee proposal, well, he bombed out, he just would not answer the question and just said, well, there is a resolution on the Order Paper and we will deal with that in due course. That resolution may not see the light of day. It may never be debated during this session. The opportune time to debate the Nordsee proposal or any other matter in relation to the fishery is when we are doing the estimates of the Department of Fisheries. So the minister who just took his seat weaseled out by just pawing it off on a resolution being on the Order Paper.

MR. F.B. ROWE: It should be done under government business and not under private.

MR. NEARY: Under government business. And the minister also said,

MR. NEARY: Well, why does the Opposition not put forward some positive suggestions? Well, Sir, I have news for the hon. gentleman. At the opportune time, the psychological moment the Opposition will put forward their platform, their policy regarding the development of the fishery in this province. It is up to the government, Sir, in this House, it is the government who have to bring its policies into this House that we can debate.

AN HON. MEMBER: What do you know about policies?

MR. NEARY: Well, that is the trouble, Mr. Chairman, we do not know what the policies are. We do not know, Sir. We have four - No we have more than that, we have four or five different statements, different opinions now from government members and ministers and from the Premier in relation to the Nordsee proposal.

MR. F.W. ROWE: They change their minds every second day.

MR. NEARY: The last proposal that was uttered from the lips of the hon. gentleman, the Minister of Fisheries was that he and the hon. the Premier had strong disagreement over the Nordsee proposal and the hon. gentleman was thinking about bailing out, resigning from the government and threatened the Premier. I remember there a few months ago the same hon. gentleman said that even if the Premier put him out of the Cabinet he would not go.

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: Yes, Mr. Chairman, I heard the hon. gentleman's voice on radio saying, "No, if the hon. the Premier gave me the boot, kicked me out I am not going. I am going to cling on."

MR. FLIGHT: It sounds like the Minister of Tourism.

MR. NEARY: That is right. It does, Sir, but now in the last couple of weeks the same minister who apparently had a vicious, violent disagreement with the Premier over the Nordsee proposal said, "Well, unless I get my way and unless Nordsee is prepared to let the government have a five per cent equity in the company then I am going to resign from the Cabinet." Now that is the most recent position I believe of the minister, is that the minister believes that Ocean Harvesters should

MR. NEARY: have forty-five or forty-six per cent, the government should have five per cent and Nordsee should have the balance. Is that basically the minister's position at the present time?

MR. MORGAN: (Inaudible).

MR. NEARY: The minister said yes, that is the minister's position. Well, Sir, I ask the minister now in all honesty what good is it going to do for the government to hold five per cent?

MR. MORGAN: Tell him LeBlanc wanted it for foreign vessels.

MR. NEARY: What good will it do the government, Mr. Chairman, for the government to hold five per cent of the shares of Nordsee when Mr. Moores and Mr. Nordsee together control that company and the government is just a tail? You know, be the tail trying to wag the dog.

MR. W.N. ROWE: The tip of the tail.

MR. NEARY: The tip, just a tiny little bit, it would be a little crackle with a little stub tail. That is all it will be, a little stub tail. I mean what good would it do?

MR. NEARY:

Could the minister tell me the rationale? I do not understand it.

MR. FLIGHT: He knows he cannot do that.

MR. NEARY: I mean can the minister rationalize why the minister is so fussy and so adamant that the government should hold a 5 per cent interest in that company? What good will that do -

MR. MORGAN: Put your policy in.

MR. NEARY: - when Mr. Moores, Mr. Alec Moores and Mr. Nordsee-Unilever will control 95 per cent of the shares of the company and they will do as they please. Obviously Mr. Moores and Birdseye-Unilever or Nordsee, whatever you want to call it would be in collusion, would they not?

AN HON. MEMBER: No.

MR. NEARY: They would not.

MR. HICKMAN: (Inaudible)

MR. NEARY: Has the hon. Minister of Justice (Mr. Hickman) sorted out that problem yet for me?

MR. HICKMAN: No but I made a couple of notes.

MR. NEARY: Yes. Well the hon. gentleman will find out now. Here I am an ordinary layman down in the registry office researching these matters, trying to bring facts into the light of day and I cannot find a lawyer who can sort it out for me, the route that they took.

MR. HICKMAN: The release mortgage that they are referring to in St. John's today is not related to the (Inaudible)

MR. NEARY: Not related.

MR. HICKMAN: No. It is a release of the mortgage of the 23rd. of October, 1962. And (Inaudible) it is now.

MR. NEARY: Well, Sir, I would like to get the answer to it because it is a very interesting procedure.

So, Mr. Chairman, I believe now the time has come - we only have three or four more hours, maybe around three hours in this debate, in the minister's estimates, the minister should state once and for all clear, concise, in language that the people can understand what the government's policy is on Nordsee. Are they for or

MR. NEARY:

against it? If they are for it, under what conditions are they for it?

MR. MORGAN: Are they for or against chartering foreign vessels?

MR. NEARY: I heard the hon. the Premier, Sir, there a couple of weeks ago make a statement outside of this House, that maybe the way to get around the Nordsee proposal in Harbour Grace was for the government to charter vessels in Europe. The hon. the Premier of this Province was the gentleman who made that statement outside of this House. The hon. gentleman said, Maybe we can get around it by chartering vessels in Europe and the government lease the vessels to the companies. Mr. Chairman, that would just be merely blindfolding the devil in the dark.

So, Sir, this is a matter of grave concern to the people of this Province, especially the fishermen and I believe the Minister of Fisheries (Mr. W. Carter) would be remiss in his responsibilities if when the minister gets the floor in a couple of minutes if the minister would not get up and tell us what the policy is as of today because it changes apparently from week to week. It is a job to keep up with it. So I would like for the minister to tell us now once and for all, to give us the facts of the Nordsee proposal. What kind of a proposal have they now made to Ottawa? They have amended it. They have gone back three or four times to FIRA and we do not know the details of the latest proposal. We would like to have a little bit of information from the minister so that we can sit down and in our wisdom decide whether or not it is a good deal or a bad deal.

Now, Mr. Chairman, the minister went around the Province in the last year or so, the minister has done a considerable amount of travelling, Sir, that has been referred to several times in this hon. House this afternoon. But, Sir, what I want to know is what are the results of the minister's travelling? All the recommendations that were made by sincere fishermen who attended



MR. NEARY:

these meetings, have any of these recommendations been implemented?

MR. W. CARTER: Most of them.

MR. NEARY: Most of them have been implemented. Well perhaps the minister might take a few moments to tell the House what recommendations have been implemented by the minister's department. I know some that have not been implemented. They may be in the process.

MR. W. CARTER: We know three.

MR. NEARY: Well that is right, tub rooms or coolers, whatever you want to call them. So there are three recommendations that have not been implemented. But I would like to find out what recommendations - there is some money available this year, I presume, to do some of the things that the minister discussed with the fishermen at these local meetings. It might be interesting to find out from the minister just what proposals and what recommendations were put forth by the fishermen at these meetings that will be done this year

MR. NEARY: including my three tub rooms. I would like to find out if the fishermen down in Rose Blanche, LaPoile and Petites are going to get their tub rooms this year. And I am sure there are fishermen all over the Province who did not ask for a great deal, who did not ask for multimillion dollar breakwaters or anything, most of the things that they requested of the minister were small things involving \$5,000, \$7,000, \$8,000, \$9,000, \$10,000, \$20,000. And the minister has a few dollars this year so I would like to hear what he has to say about this particular situation.

I would also like for the minister to explain to the House what is happening now in connection with boat building in this Province, building longliners. It is a matter of grave concern to me, Sir, that most of the fishermen in this Province who apply to the Fisheries Loan Board for loans would prefer to either get their boats built in Nova Scotia or buy boats in Nova Scotia. That is an indication to me, Sir, that there is something wrong in this Province, there is something wrong with our policy or there is something wrong with the boat building industry; there is something wrong with the way the boats are being built or the cost of the boats, but there is definitely something wrong. Most of the fishermen that I have had any dealings with over the last couple of years, and I certainly have talked to a good many about this problem, because they call me up all the time - I get more telephone calls than the Action Group gets - and I never cease to be amazed, Mr. Chairman, that the larger percentage, I would say the larger number of fishermen, want to go to Nova Scotia to get their boats built. And this is an indication to me that there is something wrong. They can either get

MR. NEARY: better boats in Nova Scotia, they are better equipped, they do not cost as much - and I would like to know what the minister is trying to do to remedy this situation. Because I feel that these boats should be built in Newfoundland if we have the labour, the manpower that can build the boats and the wood, and certainly we can get the equipment. And I do not see why these boats could not be built here in this Province and the labour kept here in Newfoundland. It is a very important matter, Sir, and I would certainly like to get the answer from the hon. gentleman.

And another thing, Sir, I would like to find out from the hon. gentleman; I know down in my district this Winter, the highliner in LaPoile district right now, the highliner for catching cod - and this is the peak of the season in my district, by the way, around the Southwest corner; there is a winter fishery down there in case hon. gentlemen do not know - but the highliner is a Nova Scotian longliner and I have been aboard that boat. I believe she is a fifty-five foot boat. I have been aboard of her and she has all the latest equipment. You go on the bridge of that boat and you would swear you were in a spaceship there is so much equipment on board. And I am told by our own fishermen that they are out groping around in the dark looking for the fish, for instance, out in the Bay St. George area, and they cannot find the fish. They go to their traditional fishing grounds and the fish are not there, they just have to take potluck, whereas this Nova Scotian has all the latest equipment on board for finding the fish. And sometimes he will tell our own fishermen where to go and sometimes he will not depending on how much fish he wants to take himself.

MR. NEARY: You know, I would like to find out, are we putting all the latest equipment on these new boats that are being built? There was one built down here in Clarenville a year or two ago; it cost \$300,000. I am told that this boat could be built in Nova Scotia for \$200,000, and yet she did not have all this equipment, all this fish finding equipment, sonar and all that kind of thing. She did not have all the equipment on board that was aboard this boat from Nova Scotia that I was on the other day that cost only about \$180,000 to build. And Mr. -

MR. CHAIRMAN: The hon. member has one minute.

MR. NEARY: One minute? Well, I will just fire one other question at the minister and it is in connection with building boats, what the government's policy is for building longliners. Is the government going ahead - is the minister listening to my question? The last question that I want to put to the minister is this: The government are going ahead - well, first of all, there is a surplus of boats in this Province at the present time, I believe, and so all these boats should be put in the hands of the fishermen through the Fisheries Loan Board before we start building new boats, but what about licences? Is the Fisheries Loan Board authorizing the construction of new boats? Are the government building new boats themselves without licences? And if so, then how does the government expect to get licences for these boats? - the drag licences I am talking about.

MR. NEARY: It is virtually impossible at this time to get a drag license in this province, yet the minister and the government are going ahead and authorizing the building of new boats, or building new boats themselves in some of our shipyards like the one in Clarenville, and then when they come off dock, when they are ready to go out fishing they cannot get a license. What is the answer to that? Is there any liaison between the minister's department and the Federal Fisheries Licensing Department? It is a very important question, Sir, and I would like to get the answer to that. And if I get a few more moments -

MR. MORGAN: You would give them all to foreign boats, let them take them.

MR. NEARY: If I get a few more moments later on, Sir, I have a few other questions I would like to ask the minister.

MR. CHAIRMAN: The hon. member for St. John's North.

MR. J. CARTER: Mr. Chairman, there are a few points that still have not been brought up. I think that the debate seems to be centering on the Nordsee proposal and indeed that proposal does raise questions far beyond the boundaries of Harbour Grace. When the 200 mile limit was declared, in my view and in the view of many, Canada made a big mistake: It should have claimed the Continental Shelf. The Continental Shelf in some cases goes far beyond the 200 mile limit and I think in some cases comes in inside of the 200 mile limit. But if we had claimed the Continental Shelf out to a certain depth, say 100 fathoms, 200 fathoms, then a lot of the problems that we are facing today would not exist because there are two important stocks that we must remember. There is the offshore caplin stock. I am not talking about the caplin stock that comes in every June that we harvest. This is an offshore caplin stock that stays offshore. It has an enormous extent and I think there are many millions of metric tons of caplin in it. There is a fairly high sustainable yield from it, but it is beyond our control, or rather it drifts in and out of our control. It is not always under Canada's control. And then there is the salmon that winter in the Davis Strait, and that is not under our

MR. J. CARTER: control. These are the same salmon that come up our rivers but they winter in the Davis Strait and any foreign nation can help themselves.

So it is my understanding that the reason for the foreign quota is so that we can bargain with the handling and the control of the offshore caplin stock and also of the salmon. And also, of course, some of the countries have traditional fishing rights and we cannot cut them off without some warning. And in addition to that Canada is supposed to supply some foreign aid. It does not do too well in the foreign aid department, and letting some of this food fish be caught on a quota basis for foreigners is one of the ways they have of administering foreign aid and they have chosen the figure of 35,000 metric tons of cod. Now there are other species but I will not go into that. I will just stick with the cod species. And as I understand it, this is from the Federal Department of Fisheries, 35,000 metric tons of cod in the areas that we are talking about are allowed for the foreign quota. But it is not true that what we do not catch will be added to that quota. That quota may go up, it may go down by a small amount, but that will not have anything to do with what we catch or what we do not catch.

Another point that should be made is that fish meal forms seven to fifteen per cent of all animal feeds, and that is all the animal feeds that are used for feeding chicken and cattle and hogs; all the domestic animals that are raised for food are fed feed that has anywhere from seven to fifteen per cent fish meal. And the fish meal, by the way, Mr. Chairman, is a very expensive commodity. Properly processed and purified fish meal can go as high as \$700.00 a ton and I am told that it has gone even higher. Although there is a fifteen per cent foreign tariff against fish caught in Newfoundland, if Newfoundland remains the major supplier of fish then that fifteen per cent tariff wall must crumble and therefore in my view it is a mistake to provide any loophole through which duty free fish may flow. It is worth our while to hold off on any deals with foreign companies until this tariff wall crumbles.

MR. J. CARTER: Again, as I understand it from the Federal Department of Fisheries, and again, still talking the cod stocks, the quota is 135,000 tons a year for cod, and this is made up of the foreign quota 35,000 tons and the proven inshore capacity of 85,000 tons. In other words, there is no inshore quota. This is a figure that is arrived at after the inshore figures have come in. In other words, no inshore fisherman will be stopped from fishing just because he happens to have started catching the 86,000th ton of fish. It is a figure arrived at after the catch is completed. But on the other hand, the 15,000 tons, the 100,000 tons less 85,000 tons, certainly the draggers could well be stopped in the month of September if they have reached that quota.

AN HON. MEMBER: The foreign draggers?

MR. J. CARTER: No, this is for the Canadian-based draggers. If they had caught more than 15,000 tons of codfish, say by September or by October, then they could be stopped if they have gone beyond the total allowable catch in any one year. That is a real quota. In the same way the foreigners will be stopped. If they go beyond 35,000 metric tons, they will be stopped. Now again, there is a certain lag because there is a delay in the catch and these figures coming in. These are real quotas, but the inshore quota is not a quota in that sense. It is arrived at after the figures have come in, so no inshore fisherman is going to be stopped from fishing because he may have exceeded a theoretical quota.

The figure of 135,000 tons, by the way, is a compromise figure. Some people believe it should be higher and some biologists believe it should be lower, so it is a very 'iffy' sort of figure. I would not like to see it raised; in fact, my own personal feeling and the feeling of some is that this quota should be less until the stocks have a chance to regenerate.

So I do not really understand where the 20,000 tons is for Nordsee at the moment. Now it may be when the stocks have regenerated that there would be no problem.

MR. J. CARTER: The other thing, of course, is that 20,000 tons is 40,000,000 pounds, and that is enough to keep a very large fish plant going full tilt so I do not see what benefit it would be to the inshore fishermen. I think you can sum up by saying, if you rob Peter to pay Paul, you can always count on the support of Paul.

Nordsee, I am told, has \$50,000,000 worth of trawlers that they are prepared to put at the disposal of this venture. Now in my view they have three choices; they can scrap these trawlers and melt them down, they can over-insure them and scuttle them in the best buccaneering tradition, or they can buy up or buy into a local company and dictate the terms.

I would certainly welcome them and let them buy a share. I would see nothing wrong with Nordsee buying a share. I would welcome their minority participation but I would not want to see them have controlling interest. I do not want to see them dictating terms. The fishery, after all, is our life-blood. It is not like some of the other industries. It is not like a mining industry. It is a renewable resource that we can have until time immemorial. So let the stocks regenerate. You know, Mr. Chairman, you do not have to go back too many years before when the catches were enormous and the run of fish was large as well. One of the ways of judging about the size of the stock and how much you can catch is the actual physical size of the fish you are catching, and if the run of fish is small then you can conclude that the stock is diminishing, but if the individual fish are large or getting larger, then you can judge or assume that the stock is increasing. This is a rule of thumb that is probably as safe as any.

So to conclude, Mr. Chairman, I will just conclude with these words, that you do not put a fox in charge of the chickens just because he has a lot of experience in the hen-house.



April 17, 1978

Tape No. 1089

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MR. CHAIRMAN:

The hon. member for Port de Grave.

MR. DAWE:

Mr. Chairman, first I would like to start off my remarks and pay a tribute to the fisherman of Port de Grave. Many of the members here are fully aware of



MR. DAWE:

There is nothing that I can say they really need in the district itself. Many new boats are being built there at the present time and they are the type of fishermen that if the fish is not available in the immediate vicinity of Port de Grave they quite often go as far as Bonavista Bay, Placentia Bay, Trinity Bay and as far North as White Bay where the fish can be found.

So I can say to the Minister of Fisheries that they are looking forward to another good season. And as I have stated here before, Mr. Chairman, you need no other example than to just go and visit the community of Port de Grave and look at the quality of their boats, the quality of their homes and their general surroundings to have a clear and undoubtable proof that a good living can be made from the fishery. I could be here or any other member could be here five hours expounding the virtues of the fishery, but, as I say, all you have to do is just visit the community of Port de Grave and that will be better to you than any words of mine that I can add to what a really successful and profitable living can be made from the fishery.

I am just going to take a few minutes to put my views on the record here with regard

MR. E. DAWE: to the Nordsee proposal. We have heard the minister here this afternoon expounding one position, then we have the Leader of the Opposition and the members on this side, with just as sincere conviction that probably this deal should not go through. I do not know who you are going to listen to Mr. Chairman, I certainly agree with the Leader of the Opposition, I would not have any objection if a longer debate would take place with regard to this proposal. But as I see it, it would be most undesirable for us in this part of Conception Bay if that plant cannot be made to operate full-time. We have no other natural resource in this part of Conception Bay, there are 40,000 there and it is the only natural resource that we can use at present to guarantee employment. There are no draggers or trawlers operating out of Harbour Grace, I understand there are no draggers or trawlers operating out of Bonavista, but in most other parts of the Province you have trawlers and draggers operating and providing twelve months work. And I say to the government today, I take the position that I do not see if the federal minister, Mr. LeBlanc, did grant temporary licences for this plant to open with the investment of Nordsee, where he would be obligated to give other such licences to other plants. And I would like to see a test made in this one particular case, the old Chinese proverb says one test is worth a thousand expert opinions, and we could be here two weeks or two months and I do not know if I can come to any other conclusion, Mr. Chairman. We have the scientists on one hand saying it is quite feasible, then we have the Leader of the Opposition and we have all the members on this side of the House expressing concern <sup>on</sup> the future fish stocks. And I am sure I speak for all the fishermen in my part of the district, some of them are concerned about this development and they are afraid of the depletion of the fish stocks. And I would not stand here in my seat, Mr. Chairman, and support this venture if I knew for certain that by doing this I would take jobs from some other part of the Province or some other fish plant workers, say in Carbonear or down at Bay de Verde or Bonavista. No hon. member would do that in his right mind. And I am actually a bit perplexed in this position

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MR. DAWE:

we find ourselves. I would most certainly hate to see this plant, as I say, not operating on its full time.

This joint venture they had last year put \$1 million in wages and supplies by the fish being landed in Harbour Grace under the joint venture scheme when they landed 2,000 tons. And that is \$1 million of new money that came into our part of Conception Bay, which is a lot of money for us.

MR. DAWE:

And if this venture could provide an extra six months work-as I understand it, it will provide an extra six months work in our off season,as we know it,when the local trap fishery is finished. It is my understanding it will not interfere in any way with the local inshore fishery when this takes place. The Nordsee people or Ocean Harvesters will still be controlled by the federal minister, will still be under some control by a provincial minister, they will be governed and controlled by the federal laws of Canada with regard to investment, regarding income, income tax. It is my understanding they can only transfer 15 per cent of the net profit outside the Province under federal regulations. So the money will have to stay in Newfoundland. The Nordsee proposal,if it can be implemented at no disadvantage to our inshore fishery,in my opinion should go ahead. They are a big company. They are supplying most of the markets, 62 million people with the highest or the second highest standard of living in the world.

Mr. Chairman, if you read some of the reports of the fish landings now in the United States, we could have some difficulty in our export markets there. In the State of Massachusetts they value their fishery this year to \$600 million. And since the new quotas came in and the 200 mile limit has taken place in the United States, the fish landings or the fish supply stocks have increased to such an extent that the fishermen have caught their quotas months ago, their boats are tied up and they are now looking to their federal people in the United States for increased quotas so they can take advantage of the fish stocks that have replenished themselves in such a short time. This, in my opinion, Mr. Chairman, could give us some difficulty in our markets in the near future, in the next two or three years.

So, we have to look for outside markets. You know,the markets or sales is the lifeblood of any industry. Without sales or without markets the doors have to close. And here you have a ready market, you have a continuing market, There is nothing that I can add, Mr. Chairman, As I see it - my judgement

MR. DAWE:

could be wrong. I am sure it is not political in any sense. If I was sitting within the Liberal caucus today I would be taking the same position. I do not want anyone to interpret this as political or supporting the government in any way. If I were say, sitting in the Liberal caucus I would come to no other conclusion. And I do trust that the Leader of the Opposition (Mr. W. Rowe) and probably the Minister of Fisheries (Mr. W. Carter) probably could agree with a full debate in this matter so that the members on this side would be satisfied it would be a good thing for Newfoundland. And, as the Leader of the Opposition (Mr. W. Rowe) pointed out this afternoon, if it is not a good thing and it can be proven it is not a good thing, then I am sure not one member in this House would support it.

I know Mr. Alec Moores and I know Mr. Cyril Babb, they are personal friends of mine. I am not here going to bat for either one of these two people. They have been in the fish business for a long time in Newfoundland. If they were going to get any personal benefit I would rather see Newfoundlanders get it than some of the mainland companies, National Seafood and others that have moved in these last few years. So all my hope and sincere desire in this, Mr. Chairman, is that we could

MR. DAWE: probably have a fuller debate in this manner and that any information that the Leader of the Opposition has to bring forward I am sure we would be all glad to hear it and any other information the Minister of Fisheries has we would like to hear it. I do not know if we can wait for this year, probably we can wait, have Nordsee wait and wait and not come in this year, to come in for the next season or probably come in later on this fall but I know it would be welcome news to the people of this part of Conception Bay if this could be provided. This new money would come in and would add probably \$3 million to \$5 million in new purchasing power for our people there in Conception Bay. If it can be done, Mr. Chairman, I am sure the people would welcome it. But I do not think they want to welcome this at the expense of some other part of the province or some other fishermen or some other plant workers.

So I think I have tried to be as impartial as I possibly could. I am sure I am not in any way political and the best I can say before I sit down, Mr. Chairman, the only conclusion I can come to with this is to say, one test is worth a thousand expert opinions, and if it is possible could we review just one plant for a test and see what repercussions it would have on our fishing stocks and what repercussions it would have on the fishery development in the province. I am sure that Nordsee, in their coming here to Newfoundland and they know they are coming in with their eyes open. They know they will be subject to these regulations and they know if they cause a severe drain on our fishing stocks that would penalize the inshore fishermen. They would expect their license to be cancelled. They are not coming in with their eyes closed as they expect this.

So, Mr. Chairman, that is my position. I do trust that if the minister can see fit and make time in the House, or the Leader or the Premier, if necessary, we could have this matter clarified once and for all. If a longer debate would do it for the members on this side or the members on the other side probably that



MR. DAWE: is what we should do. But I do trust, Sir, that some way can be found to bring this industry to our part of Conception Bay and I am sure it would be welcome news for all concerned.

Thank you very much.

MR. CHAIRMAN: The hon. House Leader.

MR. HICKMAN: Mr. Chairman, if I could have a few minutes of the Committee's time. The hon. member for Port de Grave has made a very, very strong point -

AN HON. MEMBER: Time is going, ten minutes.

MR. HICKMAN: I am sorry. I will only be ten minutes. - that seems to be escaping the attention of the House on the deliberations over foreign investment and outside investment, and that is the tremendous control that is exercised over the development of the fishery and the prosecution of the fishery off the East Coast of Canada and indeed off the West Coast by the Government of Canada through the Minister of Fisheries. Under the British North America Act the Parliament of Canada has exclusive jurisdiction in the fisheries, and I sometimes resent that we have to take hard to come by provincial dollars to spend in areas where the Government of Canada should be spending money, but it has been done. One of the first was the marine service center. We could not persuade Ottawa that this was a good concept and we had to go it alone. Subsequently, it became obvious that it was a good idea and the Government of Canada just started spending some money in that same area in co-operation with the Province.

But no matter who comes in here one has to realize that apart from the fact that the laws, the corporation laws of the Province of Newfoundland will apply which gives the province some control in the conduct of the business. But from the point of view of the prosecution of the fishery, from the point of view of the exports, from the point of view of licensing the Government of Canada has exclusive responsibility and can control it as soon as they see that the national or provincial interest may not be protected the way they feel it should. I want to avail also of this opportunity

MR. HICKMAN: to draw to the Committee's attention a matter that was mentioned earlier today that since this Committee last discussed fisheries estimates we have seen regrettably, Booth Fisheries (Canadian) Limited leave this Province, leave this country. I say regrettably, not because I have anything less in the way of admiration for those who have succeeded, but I know why they left and I know they did not want to leave, and I know they have been in the fish business in Canada for seventy-five years - that is a long time. I know, as the hon. member for Fortune - Hermitage (Mr. J. Winsor) is fully aware, they had developed certain markets for their product coming out of Fortune that other companies had been unable to get into. They had developed, I believe, the only market for processed fish coming out of Newfoundland in the Winnipeg area - a very substantial market. They were also in the mid-West.

Now I believe that their successors who were beginning to find that they, too, were having trouble with licenses have some marketing agreements, according to the press, which will enable them to take advantage of Booth salesmanship and marketing expertise, at least in the mid-Western United States.

But Booth Fisheries points up very clearly one of the problems that exists where the exclusive jurisdiction vests with the Government of Canada.

Booth Fisheries three or four years ago spent of their own money - and I did say to them one time, their mistake was they did not go looking for government help at all levels - with their own money they invested between \$5 million and \$7 million in really

MR. HICKMAN: building a new plant, with the result that today, I suspect, Fortune probably has the most modern fish plant along the South coast. That plant was built on the strong assumption that the additional catching capacity would be made available. They knew where they were going to get thirteen draggers - I think it was thirteen or eleven they had in Petit de Grat. They were going to transfer them to Fortune. The Petit de Grat plant had closed down and had been acquired by the Government of Nova Scotia, but for reasons that were not very pleasant the licenses of these ships were not allowed to be transferred to a Canadian port, namely Fortune in Newfoundland and to land there, and had to remain in Nova Scotia. You know, you talk about national unity, you talk about Parliament having control over fisheries, yet for some reason a Canadian company was not permitted to have its boats which had been landing in Petit de Grat now make their home port and land their fish in Fortune. So these boats all disappeared.

Then they decided - it was obvious to anyone. The unions came last year and they met with my colleague, the Minister of Fisheries, and myself and said, 'We know that this plant cannot continue unless there is an increase in fish landings.' We had meetings, three boats were arranged that could be chartered on a satisfactory basis by Booth Fisheries - no money coming out of the taxpayer at all - all they want is three licenses, and they did not get them. So eventually they left and they have sold to the Lake interest. Now at the time that the sale was consummated I heard an announcement attributed to the President of the Lake group, that he felt reasonably certain he would obtain extra licenses

MR. HICKMAN: to make Fortune once again a viable operation. But as of today, three months later, to my knowledge these licenses have not been forthcoming. Certainly, if they are forthcoming there has been no improvement in fish landings at Fortune, and I can say confidently, prophetically, there are no additional boats landing in Fortune at this time.

AN HON. MEMBER: If they were Polish they would get them.

MR. HICKMAN: Maybe if they were Polish - but, Mr. Chairman, the point is this that we as a government at the First Ministers' Conference - this is what I was leading up to - asked that the Government of Canada not - they cannot give up their jurisdiction, that would take an amendment to the BNA Act - but they do have the power to delegate and they have delegated it to the Province of Quebec. We have at least one fisherman from the Port au Choix area or the St Barbe Coast area who has been charged for breach of the Quebec regulations and fishing in Quebec waters and when it was looked into it was not Quebec regulations -

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MR. HICKMAN:                   it was in a sense - but it was a delegated right that goes back some years ago that the Government of Canada delegated to the Province of Quebec. Now I would never want to see the day where the provinces had total jurisdiction over marketing and that sort of thing, but I do believe that, particularly as it relates to this Province where the continental shelf was brought into Confederation by us, that if we had not joined in 1949 we would not be at all worried about the Law of the Sea conference as it relates to Nova Scotia, it would be ours. As it is so far down the scale on the gross national product, fishery, compared to other industries in Canada, that if we are going to get the kind of attention and affection and the expertise that Newfoundland has that you cannot find in the Nation's Capital, then the position put by this Government to Ottawa, which certainly has the support of Atlantic Canada, has a great deal of merit in my opinion and is one that can head off the many collision courses that, from time to time, provincial governments seem to find themselves embarked upon when they are trying to develop their renewable resource.

SOME HON. MEMBERS:           Hear, hear!

MR. CHAIRMAN:                It being six o'clock I leave the Chair until eight p.m.

I N D E X

ANSWERS TO QUESTIONS

TABLED

APRIL 17, 1978

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QUESTION #25

Mr. Neary (LaPoile) - to ask the Honourable the Minister of Health to lay upon the Table of the House the following information:

Have the Canadian Red Cross requested an increase in their grant or other forms of assistance to successfully maintain their programs, especially the Blood Bank?

If the answer is in the affirmative, provide details of what action, if any, has been taken on such request?

ANSWER

The Canadian Red Cross Blood Transfusion and Donor Recruitment Services are funded on the basis of a budget which is prepared in advance of each fiscal year and approved by a Federal-Provincial committee. The total budget is allocated among the Provinces on the basis of direct provincial operating costs plus a pro-rata portion of national headquarters costs. For 1978 the amount requested for payment by Newfoundland is \$844,333, representing an increase of \$61,451 over the 1977 allocation. This has been accepted as presented, and is being paid by way of equal monthly instalments.

April 10, 1978